DESCRIPTION FOR UNDERGRADUATE COURSES OFFERED BY
SCHOOL OF BUSINESS

The courses listed below will not necessarily offered every year.

JUNIOR LEVEL

ACCT1101. Introduction to financial accounting (6 credits)

The course will cover the principles of double entry book-keeping, the interpretation of financial
statements, the issues raised by corporate regulation, and the use of management information for
decision making.

ACCT1112. Professional preparation programme (6 credits)

To prepare students for a career in professional accounting, this optional course is a semester course
including a series of seminar/workshop discussing career opportunities and professional ethics,
developing interpersonal, communication and time-management skills and also social events
providing opportunities to interact with accounting and business professionals. Pass/Fail grade.

IIMT2601. Management information systems (6 credits)

The objectives of this course are to (i) examine the new opportunities and challenges brought about by
technological developments, and (ii) outline effective ways information technology can be utilised in
different functional areas of the business to sustain the firm’s strategic position in today’s interrelated
global market.

MGMT2401. Principles of management (6 credits)

This introductory course traces back to how the study and practice of management evolved over this
past century, with particular focus on the landmark discoveries and lessons learned. The course aims
to develop students’ awareness of the nature of management processes and involves a study of the
following topics: planning, organizing, controlling, leading, communication and change management.
The programme's pedagogical design combines the ingredients of theoretical conceptualization and
emphasizes interactive discussions, skill-building experiential exercises and students’ presentations.

MKTG2501. Introduction to marketing (6 credits)

An introductory course on the basic concepts of marketing and their implications in management.
The ingredients of the Marketing Plan will be analysed and the problems involved in formulating
marketing strategy; interpreting marketing data and coping with the changing market environment
will be examined.
### SENIOR LEVEL

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACCT2102.</td>
<td>Intermediate financial accounting I (6 credits)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The course provides an in-depth knowledge of the</td>
<td></td>
</tr>
<tr>
<td></td>
<td>first part of financial accounting. It covers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>the environment of financial accounting and the</td>
<td></td>
</tr>
<tr>
<td></td>
<td>development of accounting standards; conceptual</td>
<td></td>
</tr>
<tr>
<td></td>
<td>framework underlying financial accounting;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>statement of income and retained earnings; balance</td>
<td></td>
</tr>
<tr>
<td></td>
<td>sheet; accounting and the time value of money;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>cash and receivables; valuation of inventories;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>acquisition and disposition of property, plant</td>
<td></td>
</tr>
<tr>
<td></td>
<td>and equipment; depreciation and depletion;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>intangible assets; current liabilities and</td>
<td></td>
</tr>
<tr>
<td></td>
<td>contingencies; long-term liabilities; temporary</td>
<td></td>
</tr>
<tr>
<td></td>
<td>investments and long-term investments; and</td>
<td></td>
</tr>
<tr>
<td></td>
<td>revenue recognition.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Prerequisite: ACCT1101 Introduction to financial</td>
<td></td>
</tr>
<tr>
<td></td>
<td>accounting</td>
<td></td>
</tr>
<tr>
<td>ACCT2105.</td>
<td>Introduction to management accounting (6 credits)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The theory and techniques involved in serving the</td>
<td></td>
</tr>
<tr>
<td></td>
<td>accounting needs of management in the decision</td>
<td></td>
</tr>
<tr>
<td></td>
<td>making, control, evaluation and motivational</td>
<td></td>
</tr>
<tr>
<td></td>
<td>aspects.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Prerequisite: ACCT1101 Introduction to financial</td>
<td></td>
</tr>
<tr>
<td></td>
<td>accounting.</td>
<td></td>
</tr>
<tr>
<td>ACCT3103.</td>
<td>Intermediate financial accounting II (6 credits)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>This course provides an in-depth knowledge of the</td>
<td></td>
</tr>
<tr>
<td></td>
<td>second part of financial accounting. It covers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>stockholders’ equity; dilutive securities and</td>
<td></td>
</tr>
<tr>
<td></td>
<td>earnings per share calculations; accounting for</td>
<td></td>
</tr>
<tr>
<td></td>
<td>income taxes; accounting for pensions and post</td>
<td></td>
</tr>
<tr>
<td></td>
<td>retirement benefits; accounting for leases;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>accounting changes and error analysis; statements</td>
<td></td>
</tr>
<tr>
<td></td>
<td>of cash flows; basic financial statement analysis;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>and full disclosure in financial reporting.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Prerequisite: ACCT2102 Intermediate financial</td>
<td></td>
</tr>
<tr>
<td></td>
<td>accounting I</td>
<td></td>
</tr>
<tr>
<td>ACCT3106.</td>
<td>Management control (6 credits)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>A course on advanced problems in managerial</td>
<td></td>
</tr>
<tr>
<td></td>
<td>accounting and management information and reporting</td>
<td></td>
</tr>
<tr>
<td></td>
<td>systems for planning and control of operations. In</td>
<td></td>
</tr>
<tr>
<td></td>
<td>particular it will include problems associated with</td>
<td></td>
</tr>
<tr>
<td></td>
<td>large decentralized companies - divisional</td>
<td></td>
</tr>
<tr>
<td></td>
<td>performance control, measurement and evaluation,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>transfer pricing.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Prerequisite: ACCT2105 Introduction to management</td>
<td></td>
</tr>
<tr>
<td></td>
<td>accounting</td>
<td></td>
</tr>
<tr>
<td>ACCT3107.</td>
<td>Hong Kong taxation (6 credits)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>A study of the accounting for, and management of,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>taxes on income under the Inland Revenue</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ordinance, within the context of taxation theory.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Prerequisite: ACCT1101 Introduction to financial</td>
<td></td>
</tr>
<tr>
<td></td>
<td>accounting</td>
<td></td>
</tr>
<tr>
<td>ACCT3109.</td>
<td>Auditing (6 credits)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Professional ethics, and the social and legal</td>
<td></td>
</tr>
<tr>
<td></td>
<td>responsibilities of auditors; basic auditing</td>
<td></td>
</tr>
<tr>
<td></td>
<td>concepts and principles; evidence; evaluation of</td>
<td></td>
</tr>
<tr>
<td></td>
<td>internal control; standard procedures and methods</td>
<td></td>
</tr>
<tr>
<td></td>
<td>of investigation.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Prerequisite: ACCT3103 Intermediate financial</td>
<td></td>
</tr>
<tr>
<td></td>
<td>accounting II</td>
<td></td>
</tr>
</tbody>
</table>
ACCT3111. Corporate governance and social responsibility (6 credits)

In this course, students learn about the complex responsibilities facing business leaders today. It will explore the use of accounting information and internal control in ensuring efficient and effective operations, reducing the cost of capital, production and distribution, and complying with legal, regulatory and corporate oversight requirements. It also teaches students about ethics and governance systems that leaders can use to promote socially responsible conduct by organizations and their employees, and shows how personal values can play a critical role in effective leadership.
Remarks: This course is available to FBE students only.

ACCT3113. Accounting theory (6 credits)

Prerequisite: ACCT3103 Intermediate financial accounting II

ACCT4104. Advanced financial accounting (6 credits)

Application of accounting theory to the preparation of accounting standards and their implications for reporting purposes, particularly those related to the consolidation of group accounts, asset valuation and the influence on income determination. Other topics may include current cost accounting, income tax allocation, government entities and nonprofit organizations.
Prerequisite: ACCT3103 Intermediate financial accounting II

ACCT4108. Advanced topics in auditing (6 credits)

This course extends the first Auditing course to further examine various advanced topics including advanced auditing techniques, auditing for operations and efficiency, auditing web based information, EDP auditing, environmental auditing, forensic accounting and contemporary issues of auditing.
Prerequisites: ACCT3109 Auditing and ACCT4104 Advanced Financial Accounting

ACCT4110. Advanced topics in taxation (6 credits)

The course is an in-depth review of the law and practice of taxation for planning and management in the Hong Kong environment. The subject will discuss how international tax principles affect foreign direct investment decisions and highlight the relationships between the international tax principles and the local tax system. General discussion of the Mainland tax system will also be included.
Prerequisite: ACCT3107 Hong Kong Taxation

ACCT4114. Accounting seminar (6 credits)

A course on (a) the nature of accounting theory and research and (b) topical accounting issues.
Prerequisite: ACCT3103 Intermediate financial accounting II

BUSI3801. Business law (6 credits)

An introduction to the Hong Kong legal system, the fundamentals and general principles of Hong Kong law, and other legal concepts which a manager may be expected to encounter in the business environment.
BUSI3803. Company law (6 credits)

Formation of companies; memoranda and articles of association. Powers and duties of directors, secretaries and auditors. Shareholders’ rights and powers and the role of the courts. Takeovers, mergers and investments; statutes, regulations and codes. Insolvency law and practice.

BUSI3808. Global analysis team project (6 credits)

The primary objective of this course is to develop the students’ capability to understand the strategic situation in a business, economic, social, political and/or environmental aspect in the global arena. Students are also expected to devise viable alternatives for dealing with the key issues facing it. They will partner with students from overseas universities to work on this global analysis team project in their final year of study.
Remarks: For BBA(IBGM) students only.

BUSI3809. Leadership development programme (6 credits)

This course aims at enabling students to develop themselves as leaders of organizations and to embark on paths of personal leadership development. The following concepts will be covered: motivation, lifelong leadership development, personal leadership development plan, stress and adversity management, peer mentoring, group dynamics, work and life balance as well as purpose-driven leadership.

BUSI3810. Legal and ethical environment of global business (6 credits)

This course covers the legal aspects of the international trade. It also provides students with background on international legal framework for cross-border trading and business activities, as China embarks on liberalization of its business environment as a member of the World Trade Organization.

IIMT2602. Business applications development (6 credits)

This course introduces the basic concepts of programme development for business applications with an emphasis on user interface design and development, database design and querying and operating environments. Hands-on experience in selected application systems development tools will be emphasized.
Prerequisite: IIMT2601 Management information systems
Remarks: This course is not available to BBA(IS) students.

IIMT3601. Database management (6 credits)

This course studies the principles of design, development and administration of database management systems for business applications. Emphasis will be placed on the user/developer/administrator points of view.
Prerequisite: IIMT2601 Management information systems
Eligibility: Students taking or having taken COMP3278 are not allowed to take this course.
IIMT3602. Information systems analysis and design (6 credits)

This course examines the application of information technology to business and analyses the various stages of a system development life cycle. Techniques for modeling data and process requirements will be discussed.

Prerequisite:  IIMT2601 Management information systems
Remarks:  This course is not available to BBA(IS) students.

IIMT3603. Project Management (6 credits)

This course focuses on the planning, scheduling, control, and evaluation of project management. The basic tools and techniques of project management are explored. Projects are temporary endeavors that organizations and individuals undertake to create a unique product or service. Projects are developed and managed through a defined set of procedures producing a consistent and effective management methodology. Special emphasis is placed on engineering, management, and control of IS/IT related business project. The evaluation on project and project management is also addressed. The topics include management on scope, time, cost, quality, human resource, communication, risk, and procurement.

- Understand and apply the fundamental tools and techniques of project management.
- Develop knowledge of principles, concepts, and methods in the leadership of complex projects from a systems perspective.
- Perform conceptual design, planning, scheduling, and control for a technical project.
- Develop capabilities for understanding, assessing, and resolving human, technical, and administrative issues for deployed projects.
- Demonstrate sophistication and competency in design, analysis, and evaluation of project management systems in a technical environment.

Prerequisite:  ACCT1101 Introduction to financial accounting and ECON1210 Introduction to economics I

IIMT3604. Telecommunications management (6 credits)

This course introduces telecommunications and computing networks used in support of business activities. Topics include data, voice, image and communication technologies; networking and communication architectures; and protocols and standards.

Prerequisite:  IIMT3602 Information systems analysis and design or equivalent
Eligibility:  Students taking or having taken COMP3234 are not allowed to take this course.

IIMT3621. Creativity and business innovation (6 credits)

To succeed in today complex and rapidly changing business environment managers must be able to 1) analyze (the separating of a whole into its component parts), 2) synthesize (the combining of often diverse conceptions into a coherent whole), 3) make judgment (the forming an opinion or evaluation by discerning and comparing), and 4) sell their ideas (the ability to articulate with the objective of influencing others).

This course relies on the case method to instill and foster these skills. Students will learn how to identify appropriate sources of information, sieve through information, differentiate between major and minor issues, analyze new developments, synthesize different ideas and ultimately articulate their thoughts to others. In the process students will learn how to ask the right questions, explore the trade-offs involved in managerial decisions, and discover and design doable courses of action.

Prerequisite:  This course is open only to second- and third-year students.
IIMT3622.  
**e-Transformation (6 credits)**

The course provides a roadmap for managers planning to transform their companies into an inter-networked enterprise where shared infrastructures are used to link customers, suppliers, partners and employees to create superior economic value. It covers business strategy, infrastructure, process management, and integration and implementation. The course is based on the premise that integrating Internet technologies throughout the value chain is crucial in building and managing customer relationships and thus brand equity.

Prerequisite: IIMT2601 Management information systems

---

IIMT3623.  
**Architectural design studio I (6 credits)**

IIMT2624.  
**Architectural design studio II (6 credits)**

Comprehensive introductions to architectural literacy, the courses are tailored for non-professional degree students to acquire skills germane to the creative process of design and to an understanding of the role of architects in the larger realm of design and construction in the 21st century.

The courses are conducted as a concurrent ‘theory/information course’ plus a ‘problem-based-studio’ which mimic the core learning process in a professional architectural education. IIMT3623(I) provides basic information necessary to IIMT3624(II): Studio, which is the back bone to any architect’s education and crucial to an understanding of design innovations & the building experience. By tackling a series of projects in graduating complexity in ‘Studio’, students learn to sharpen their visual, spatial and ideological acuities and to develop sensitivities to architectural and urban design issues central to the environment.

The roles of various professionals involved in a design team will be discussed. Emphasis however, will be placed on the formulation of design concepts, the critical and analytical skills for actualization of concepts and effective presentations of ideas and designs, literal and graphic – a simulation of the creative path and the working dynamics between building professionals and their clients.

Remarks: For BDI majors only.

---

IIMT3636.  
**Decision and risk analysis I (6 credits)**

A course on the quantitative methods used to solve business problems and make managerial decisions. The course involves the use of computers in the teaching process.

Prerequisite: STAT1602 Business statistics or STAT1603 Introductory statistics or STAT2601 Probability & statistics I or ECON1280 Analysis of economic data or equivalent

---

IIMT3637.  
**Decision and risk analysis II (6 credits)**

A more advanced course on quantitative methods to problem solving. Topics include mathematical programming, dynamic programming, game theory, reliability, Markov chains, stochastic processes and applications in logistics, finance, marketing, inventory and operations.

Prerequisite: IIMT3636 Decisions and risk I

---

IIMT3661.  
**Decision support and expert systems (6 credits)**

This course explores a range of modern technologies used to support business decision making. Topics include decision support systems, group support systems, electronic meeting systems, artificial intelligence, expert systems, and neural networks. Both technical and managerial issues related to the development and implementation of decision support systems will be discussed.

Prerequisites: IIMT2602 Business applications development, and IIMT3601 Database management or equivalent
IIMT3662. Advanced database management (6 credits)

The course consists of two parts. In the first part advanced database concepts such as views, triggers, stored procedures, SQL*Plus, database administration and performance tuning. In the second part, various techniques in data mining such as decision trees, neural networks, and clustering will be covered. Student will be exposed to the applications of these techniques in business.
Prerequisite: IIMT3602 Database management or COMP3278 Introduction to database management systems

IIMT3663. Internet applications development (6 credits)

In this course students will learn how to develop Internet-based business applications using the resources, tools and services available on the Internet. Topics include HTML, Java applets, HTTP and CGI, JavaScript, Java Servlets and JSP, Perl, PHP, ASP, Web spiders and search engines, and wireless applications.
Prerequisites: IIMT2602 Business applications development or equivalent; and IIMT3601 Database management or equivalent

IIMT3664. Telecommunications policy (6 credits)

This course provides an overview of recent developments of the telecommunications industry in Hong Kong and around Asia-Pacific. Telecommunications infrastructure policies introduced by respective governments in the region and the impacts of these policies on business operations will be examined.
Prerequisite: IIMT2601 Management information systems or equivalent

IIMT3665. Information systems security management (6 credits)

This course focuses on key issues related to security of Internet-based business applications. Topics include data security, including encryption and authentication.
Prerequisite: IIMT2601 Management information systems or equivalent

IIMT3666. Current topics in information systems (6 credits)

This course discusses the contemporary areas of information systems, including emerging technologies and the way they affect businesses.
Prerequisite: IIMT2601 Management information systems or equivalent

IIMT3667. Information systems strategy (6 credits)

This course examines various issues related to the management of information systems in organizations. The link between information systems planning and business strategy will be explored to see how companies can use information systems not only to support their daily operations but to sustain and enhance their strategic advantage.
Prerequisite: IIMT2601 Management information systems or equivalent
IIMT3668. Multimedia applications development (6 credits)

This course introduces various technologies used in multimedia applications. Students will learn how to develop information systems that use text, graphics, sound and video.
Prerequisites: IMT2602 Business applications development, and IMT3601 Database management or equivalent

IIMT3681. Supply chain management (6 credits)

The course introduces students to concepts, strategies, and technologies related to supply chain management. The course focuses on the systems approach to planning, analysis, design, development, and management of supply chain. Using cases and real-life projects students will learn how to use appropriate information technologies to reduce cost and improve service in supply chain.
Pre-requisite: IMT2601 Management information systems or equivalent

IIMT3682. IT and entrepreneurship (6 credits)

This course introduces students to the core concepts of entrepreneurship with a special emphasis on those entrepreneurial settings involving the use of information technology. Students will be exposed to the key processes, challenges, risks and rewards of starting up an entrepreneurial business and are expected to apply the concepts and knowledge learned in the course to develop a business plan that could be presented to potential investors and venture capitalists.
Pre-requisites: IMT2601 Management information systems and MGMT2401 Principles of management
Mutually exclusive courses: MGMT3415 Principles of entrepreneurship

IIMT3683. Enterprise resource planning systems (6 credits)

This course provides an overview of enterprise resource planning systems and their use in the business environment. Topics include business processes management, functions and data requirements, and systems implementation and integration.
Prerequisite: IMT2601 Management information systems

IIMT3684. Web and Social Media Technology (6 credits)

This subject explores the emerging and revolutionizing role of the WWW for marketing practice. A number of techniques of advertising over the Internet are introduced. Students will explore the potential of advertising through the Web technologies such as blog marketing, social media marketing and advertising, search engine marketing, search engine optimization, email marketing, usability test and web site measurement. After completing this module, students will be able to develop an Internet marketing plan integrated with social media tools and search engine for advertising on the Internet.

IIMT3685. e-Commerce (6 credits)

This course focuses on business opportunities brought about by the Internet. Students will learn how to use web-based technologies to set up a business.
Prerequisites: IMT2601 Management information systems
IIMT3688.  Artificial intelligence in business (6 credits)

This course focuses on the fundamentals of artificial intelligence (AI), with emphasis on business applications. Students will gain hands-on experience in developing and using different AI tools to solve real-world business problems. Topics include AI algorithms, intelligent agents, document management, expert systems, and data mining.

Prerequisites:  IIMT2602 Business applications development or COMP1117 Computer programming I or ENGG1002 Computer programming and applications; and IIMT3601 Database management or COMP3278 Introduction to database management systems

IIMT4601.  Information systems project management (6 credits)

This course examines the concepts, techniques, and activities related to information systems development projects. Teams of student will carry out projects that span the entire information systems analysis and design life cycle, including planning and scheduling, cost estimation, risk analysis, team organization, process management and quality assurance. In the process students will become familiar with the use of computer-based tools and managerial techniques used in information systems development projects.

Remarks:  This course is available to final year students in BBA(IS) only.

MGMT3403.  Leadership (6 credits)

This course deals with leadership in organizational contexts. Students will learn about major theoretical approaches to studying leadership. Students will also examine leadership in problem situations. Cases and assessment exercises will be used to help students develop leadership competencies.

MGMT3405.  Organizational behaviour (6 credits)

A course on the concepts and key research findings which can help us to understand the human behaviour in organizations. Topics include motivation, leadership theory, group dynamics, morale, communications, control techniques and organizational culture.

MGMT3415.  Principles of entrepreneurship (6 credits)

This course explores the central issues involved in entrepreneurship, with particular on creativity and innovativeness. The course introduces some novel approach to learning and reflection in order to take advantage of a rapidly expanding intellectual core which gives meaning and coherence to entrepreneurial activities.

Mutually exclusive course: IIMT3682 IT and entrepreneurship

MGMT3423.  Operations and quality management (6 credits)

A general introduction to the basic concepts and principles of management of manufacturing and service operations. Emphasis will be on both the quantitative and qualitative aspects of operations management and the intention is to give students moderate exposure to the major topics in operations management.
MGMT3426. Employment and labour relations (6 credits)

This course intends to give an overview on the fundamentals of labour relations theories pertaining to trade unionism, collective bargaining and workplace labour-management relations. Particular attention is also given to the development of the labour market, employment pattern and labour law in Hong Kong.

MGMT3429. Human resource management and business strategy (6 credits)

This course proposes to look at the basic concepts of human resource management (HRM) and its application to Hong Kong. Emphasis will be placed on the strategic linkage between HRM and corporate management in the context of business changes and re-structuring. Comparative references will also be made to practices elsewhere in other industrial societies.

MGMT3433. Organizational change and development (6 credits)

The objective of this course is to explore the problems and issues involved in the management of organizational change and development. Major approaches and attempts to conceptualize the phenomenon will be examined in a critical manner. Particular attention will be paid to problems arising from company formation, entrepreneurial ventures, company expansion and growth, maturity and bureaucratization, corporate failure and recovery. Major strategies for change will be examined.

MGMT3434. Human resource: theory and practice (6 credits)

A course that draws upon an understanding of organizational behaviour to examine the techniques and practice of HRM. Topics include HRM and corporate strategy, human resource planning, recruitment and selection, performance management, training and development, employee relations.

Prerequisites: BUSI1007 Principles of management

MGMT3435. Production and operations (6 credits)

A course to introduce a systems-oriented view of production and operations management.

Prerequisites: MGMT3423 Operations and quality management, and IIMT3636 Decision and risk analysis I

MGMT3447. Applied organization (6 credits)

This is a course on the design of high performance organization in the modern world. Topics include management structures of control and co-ordination, high-commitment work systems, design of compensation systems, virtual organization and the use of IT, organizational learning, organizational change, organization for cultural synergy, organization of international companies.

MGMT3457. High-performance work systems (6 credits)

This course examines the principles and practice of designing and operating systems of work that combine the optimum use of technology with high performance and motivation. Topics include socio-technical systems analysis, teamwork and networking.
MGMT3458. Human resource planning and career management (6 credits)

This course aims to provide an understanding of how the demand and supply of human resources can be brought into balance, and people already in employment can be helped to develop in their work careers. Topics covered include appraisal, counselling, development and training, and career planning. Ways in which HRM managers can facilitate organizational learning are also examined.

MGMT3464. Leadership workshop (6 credits)

This workshop will explore key processes of leadership experientially in a simulated political, social and business environment. The purpose is to provide students with knowledge in leadership theories, models and frameworks with opportunities to experiment with natural and new leadership behaviour in a simulated context. Having gone through these processes in a collective, multi-staged exercise, there will be opportunity for reflection, sharing of experience and integration of practice with theories, in the presence of facilitators.

MGMT3470. Reward and compensation (6 credits)

This course addresses the design of reward and compensation systems and the contribution they can make to the attainment of an organization’s strategic objectives. Among the specific techniques covered are job evaluation, design of incentives, performance-related pay, and non-monetary rewards.

MGMT3472. Team building programme (6 credits)

The objective of the workshop is to explore key aspects of group dynamics through a process of experiential learning. The aspects that we shall be considering include leadership and communication, planning and organizing, decision-making and problem solving, trust and team building in the context of business and management. The activities you will undertake consist of a series of problems to be resolved through the combined efforts of your group members. The problems are physical in nature, rather than hypothetical and cognitive, and require the application of organizational skills for successful and efficient solutions.

MGMT3475. Current topics in human resource management (6 credits)

This course focuses on current topics in managing a firm's human resource management functions. Indepth classroom discussion, management cases and applied business projects will be emphasized.

MGMT3476. Managing organizational change (6 credits)

As business organizations face unprecedented challenges today, managing change has become a crucial factor in the survival and performance of organizations. This course introduces the specialized topics of organizational change management. It provides the students with an understanding of how organizational change is initiated and sustained.

MGMT3477. Selections and training (6 credits)

This course will focus on the basic concepts of selections and recruitment, training and development of different employees, and human resources utility analysis. In particular, students will be exposed to different recruiting process and the whole spectrum of training and development techniques and demonstrates how they can add value to business success.
MGMT3478. Compensation and benefits (6 credits)

This course will focus on the basic concepts of pay and compensation policy of different employees. In particular, students will be exposed to the fundamental pay and benefits administration, along with the importance of rewards and the impact of rewards on employee attraction, motivation and retention.

MKGT3501. Consumer behaviour (6 credits)

This course is designed to understand how customers behave. It integrates the psychological processes that motivate and direct consumers and organizations in their consumption decisions. Students will learn to apply concepts and measurement tools to managing firms in Hong Kong and Mainland China through exercises, cases and projects. Implications for marketing decisions will be shared.
Prerequisite: MKTG2501 Introduction to marketing

MKTG3502. Marketing research (6 credits)

This course will cover the broad principles of marketing research. Emphasis will be placed on the use of marketing research as an aid to decision making. In this spirit students will be introduced to a variety of types of marketing research data. Students will be given the opportunity to engage in practical marketing research based exercises.
Prerequisite: MKTG2501 Introduction to marketing

MKTG3511. Advertising management (6 credits)

The preparation, use and administration of advertising, emphasizing the use of research to direct and measure the effectiveness of each stage in the operation.
Prerequisite: MKGT2501. Introduction to marketing

MKTG3512. Brand management (6 credits)

Why do companies need brands and how do they develop brands? Why do brands fail? Are there ways to manage brands so that they last? What are the challenges facing a brand manager? Interested in finding answers to the above questions? Prepared for a hands-on learning of the brand development process? Then this course is for you. Through theories and concepts, case analyses, problem sets, class debates and project assignments, this course aims to provide students with a capacity to think creatively and with increased precision about the strategies and tactics involved in building, leveraging, defending, and sustaining strong brands. To prepare students for the customer-driven marketing challenges facing a brand manager, this course draws insights from psychological, sociological, and anthropological theories of consumer behavior.
Pre-requisite: MKTG2501 Introduction to marketing

MKTG3513. Consumer insights for marketing decisions (6 credits)

This course focuses on current topics in managing a firm’s marketing functions. Organized along a seminar mode, students will be exposed through their interactions in Hong Kong. Real life experiences and exposures to firms together with indepth intellectual challenges will be emphasized throughout the course. Indepth classroom discussion, management cases and applied business projects will be emphasized.
Prerequisite: MKTG2501 Introduction to marketing
MKTG3514. Retailing (6 credits)

The objective of this course is to explore the problems and issues involved in the management of quality improvement and market competition. Emphasis will be on the strategic aspects of quality and marketing management and the intention is to give students exposure to important topics like customer value, quality improvement tools, quality concepts and its relationship with different aspects of marketing management.
Prerequisite: MKTG2501 Introduction to marketing

MKTG3522. China marketing (6 credits)

This course is designed to focus on selected topics that are of salience to managing firm marketing strategies and operations in Mainland China or Hong Kong. It may include but not restricted to the following contemporary marketing issues including branding, new product development, marketing high-technology products and customer relationship management.
Prerequisite: MKTG2501 Introduction to marketing

MKTG3523. Global marketing (6 credits)

This course shows how the basic principles of marketing can be applied to the problems of marketing across national boundaries and within foreign countries. Attention is paid to the development of global marketing strategies and to the different approaches needed to market consumer items, industrial goods and services internationally.
Prerequisite: MKTG2501 Introduction to marketing

MKTG3524. Internet marketing (6 credits)

This course examines the evolution of the World Wide Web as a powerful tool for selling, distributing and servicing of goods and services. Particular attention will be paid to customer relationship management and its impact on competitive positioning of a firm.
Prerequisites: MKTG2501 Introduction to marketing, and IIMT2601 Management information systems or equivalent

MKTG3525. Services marketing (6 credits)

The course examines the characteristics of service organizations and how this affects their approach to marketing. Issues in the three dimensions of internal marketing; transactional marketing and external marketing are examined and the role of research analysed. Attention is paid to service culture and service value and the problems are illustrated by examples from Asian, American and European service firms.
Prerequisite: MKTG2501 Introduction to marketing

MKTG3531. Strategic marketing management (6 credits)

This course is designed as a capstone course that integrates a firm’s marketing decisions. It covers a firm’s strategic market orientation, its allocation of resources and effectiveness of its marketing strategies. The course emphasizes managerial implications for different types of firms. Students will learn how to apply the course contents through in-depth studies of firms, research projects and management cases.
Prerequisites: MKTG2501 Introduction to marketing
STRA3702. International business (6 credits)

This is an introductory course to the field of international business, which will examine contemporary and historical changes in this field. The focus will be on three main areas: international trade, the international payments system and international production. The approach will consider the roles of various actors in these areas, including firms, states and international organizations and will discuss differing explanations of outcomes in each of the main areas that are offered by differing theoretical perspectives.

Prerequisites: ACCT1101 Introduction to financial accounting, and MKTG2501 Introduction to marketing, and MGMT2401 Principles of management or MGMT3405 Organizational behaviour, and ECON1210 Introduction to economics I, and FINA1310 Corporate finance and STAT1602 Business statistics or STAT1603 Introductory statistics or IIMT3636 Decision & risk analysis I

STRA3703. Multinational corporations (6 credits)

This course studies the multinational enterprise (MNE) and the theoretical approaches that have been formulated to explain the growth and operation of this form of business on an international scale. Recent general theories will be considered in a critical manner to allow judgments to be made on their strengths and limitations.

Prerequisite: MGMT2401 Principles of management

STRA3705. China economy (6 credits)

The course will examine the historical development of modern China and the emergence of new forces and ideologies in the recent past. This should provide a backdrop for the interpretation of the economic and social events of the present time.

STRA3706. China business environment (6 credits)

This course examines the opportunities and challenges that managers confront when doing business in China. It addresses the complex environment of China business with respect to economic, social, cultural, political, and legal institutions. It aims to provide students with contemporary knowledge of the external environmental forces that are changing today's competitions in China market. Threats and opportunities arise from the new rules of China will be discussed.

STRA3707. The European business environment (6 credits)

This course is intended for those who wish to study the evolution of the European Business Environment and the processes by which it operates. It investigates the broader political, cultural, economic, legal and philosophical basis of the business milieu mostly in Western Europe but with, when appropriate, reference to the Eastern European states. It includes the typologies of businesses as conducted in selected states where the free market, remnants of state control and the regional and global influences all have a part to play. Teaching would be based on lectures, case studies and simulations with visiting lectures from various Consulates to enrich the content.
STRA3708. A century of business in Hong Kong (6 credits)

This course, taught in a series of lectures and tutorials, will explore the trajectory of European and Chinese business from the opening of Hong Kong as a free port in 1841 until the handover in 1997, complementing approaches of economic, social and political history.

STRA3716. Studies on China’s competitiveness (6 credits)

Studies on China’s Competitiveness will focus on the competitiveness of the economy and industries of Mainland China and examine China’s competitiveness on a regional, industry and activity basis. Globalization and China’s accession to WTO will present unprecedented opportunities and challenges for China’s economy and industries. As such, China’s position in the globalized world economic system and its ability to move up the value-added ladder is critical to its sustainable economic development. Given Hong Kong’s close links to the economy of the Chinese Mainland, China’s economic future will heavily influence that of every industry in Hong Kong. Through a detailed analysis of a cross section of Chinese industries, the course will help the students to have a better understanding of the current status of China’s competitiveness and future dynamics.

STRA4701. Strategic management (6 credits)

The course will review the analysis and implementation of strategic corporate decisions which encompass all functional areas of business. Students will be split into small groups and will be required to write a mini-project of not more than 5,000 words outlining the desired corporate strategy for a given corporate problem.

Prerequisite: ACCT1101 Introduction to financial accounting, and ECON1210 Introduction to economics I, and FINA1310 Corporate finance, and MGMT2401 Principles of management or MGMT3405 Organizational behaviour and MKTG2501 Introduction to marketing

Remarks: Open only to students in studying a major in the BBA programmes
DESCRIPTION FOR UNDERGRADUATE COURSES OFFERED BY SCHOOL OF ECONOMICS AND FINANCE

“ECON1210 Introduction to economics I” is a prerequisite for all senior level Economics and Finance courses. Additional prerequisites are specified in the descriptions for the courses concerned. Not all courses listed below will necessarily be offered every year.

JUNIOR LEVEL CORE

ECON1210. Introduction to economics I (6 credits)
An introduction to the basic concepts and principles of microeconomics - the study of demand and supply, consumer theory, cost and production, market structure, and resource allocation efficiency.

ECON1220. Introduction to economics II (6 credits)
This course is an introduction to macroeconomics – the study of business cycle fluctuations and long run economic growth. Topics include the measurement of national economic performance; the problems of recession, unemployment, and inflation; money supply, government spending, and taxation; fiscal and monetary policies for full employment and price stability; the determination of the exchange rate; and international trade and payments.

ECON1280. Analysis of economic data (6 credits)
This course studies the measurement and interpretation of economic variables, and how to model their relationships using appropriate empirical methods. Topics include interpretation of headline statistics, describing economic aggregates, modeling of economic relationships and drawing conclusions from observations.
Remarks: Not open to students taking or having taken STAT2601 Probability & statistical I.

FINA1310. Corporate finance (6 credits)
This is an introductory course that develops the basic concepts and tools applicable to corporate financial decisions. Three main tasks of financial managers are studied: (i) investment evaluation, (ii) financing decisions, and (iii) payout decisions. Specific topics include present value calculation, valuation of stocks and bonds, investment criteria and capital budgeting, risk and return, cost of capital, capital structure, raising capital, and dividend policy.
Prerequisite: ACCT1101 Introduction to financial accounting
Mutually exclusive courses: STAT2807 Corporate finance for actuarial science
SENIOR LEVEL CORE

ECON2210. Microeconomic theory (6 credits)
Preference, utility and consumer choices; choices under uncertainty, introduction to game theory; market structures; introduction to economics of information.
Mutually exclusive course: ECON2211 Microeconomic analysis.

ECON2220. Macroeconomic theory (6 credits)
Theories of income, employment, and the price level; analysis of secular growth and business fluctuations; introduction to monetary and fiscal policy.
Prerequisite: ECON1220 Introduction to economics II
Mutually exclusive course: ECON2221 Macroeconomic analysis

ECON2211. Microeconomic analysis (6 credits)
Examine microeconomic issues with applications. Topics include: consumer behaviour, cost structure, market structure, theory of the firm, factor market and general equilibrium.
Remarks: Open only to non-BEcon, non-BEcon&Fin and non-BSc(QFin) students
Mutually exclusive course: ECON2210 Microeconomic theory

ECON2221. Macroeconomic analysis (6 credits)
Economics of inflation, unemployment, income and output determination in the short run and the long run. Money, interest rates and exchange rates. Macroeconomic stabilization policies and open economy macroeconomic issues.
Prerequisite: ECON1220 Introduction to economics II
Remarks: Open only to non-BEcon, non-BEcon&Fin and non-BSc(QFin) students
Mutually exclusive course: ECON2220 Macroeconomic theory

ECON2280. Introductory econometrics (6 credits)
Econometrics is the branch of economics that formulates statistical methodology for use in analyzing economic data. Consequently, the objective of this course is to prepare students for basic empirical work in economics. In particular, topics will include multiple regression analysis, estimation and hypothesis testing, functional form specification, time series models, and limited dependent variable models. Students will have the opportunity to use actual economic data to test economic theories.
Prerequisite: ECON1280 Analysis of economic data or STAT1601 Elementary statistical methods or STAT1602 Business statistics or STAT1603 Introductory statistics or STAT2601 Probability & statistics I
Mutually exclusive courses: STAT2314 Business Forecasting and STAT2804 Linear models and forecasting
ECON4200. Theory and applications in economics and finance (6 credits)

This course applies core theoretical knowledge in economics and finance acquired throughout the undergraduate curriculum to analyze some ten important real issues. The course will select and match core theoretical concepts with significant applications in the world. A selection of local, regional and global issues, both contemporary and historical, of real significance will be chosen. The real life applications are selected to help students consolidate and integrate the concepts and tools learned in economics and finance through an analysis of the nature of the problem, its causes and consequences, the choice of feasible solutions, and their tradeoffs. The selections may change from year to year, but will build in the interplay of global and local perspectives. Examples of selections could include currency crisis, asset bubbles, protection of minority shareholders, global warming, extinction of rare species, population ageing, trade wars, traffic congestion, urban poverty, tax and wealth.

FINA2320. Investments and portfolio analysis (6 credits)

This course introduces students to the fundamental principles of investments and to major issues currently of concern to all investors. The concepts and skills developed from this course enable students to conduct a sophisticated assessment of current issues and debates covered by both the popular media as well as more-specialized finance journals. We emphasize on equity part and the main topics include: portfolio theory, equilibrium in capital markets, equity valuation, portfolio performance evaluation, and relevant institutional details. This course is essential to those planning to become an investment professional or a sophisticated individual investor.

Prerequisite: FINA1310 Corporate finance

Mutually exclusive course: STAT 2309 The Statistics of Investment Risk and STAT3806 Investment and asset management

FINA2322. Derivatives (6 credits)

To provide a comprehensive analysis on the properties of options and futures and to offer a theoretical framework within which all derivatives can be valued and hedged. Topics covered: simple arbitrage relationships for forward and futures contracts, hedging and basis risk, stock index futures, swaps, trading strategies involving options, valuation of options using a binomial model and the Black-Scholes formula, option on stock indices, currencies and futures, and exotic options.

Prerequisite: FINA1310 Corporate finance

Remarks: Not open to students taking or having taken MATH2906 Financial calculus.


SENIOR LEVEL ELECTIVES (ECONOMICS COURSES)

ECON2213. The economics of property rights (6 credits)

Implications of different structures of property rights for economic behaviour; rights structures classified in terms of exclusivity and transferability; costs of enforcing rights and of forming contracts as main constraints in the derivation of hypotheses; the Coase Theorem and the theories associated with contracting.
ECON2214. Games and decisions (6 credits)

The first part of the course starts with sequential games and introduces the concept of subgame perfect equilibrium for solving sequential games. Then it helps student appreciate the beautiful mind of John Nash by developing Nash equilibrium through a series of concepts: dominant strategy, successive elimination of dominated strategies, and the minimax approach for simultaneous games. It also discusses the limitation of Nash equilibrium and offers rationalizability as an alternative equilibrium concept. This forms the basic theory of the course, which is used to analyze repeated games and collective-action games in the second part of the course. Additionally, new solution (evolutionary stability) and equilibrium concept (perfect Bayesian equilibrium) are introduced to deal with applications that involve imperfect rationality or imperfect information. Strategic moves and mechanism design are potential optional topics of the course.

ECON2215. Uncertainty and information (6 credits)

This course examines the effects of uncertainty and imperfect information on individual decision making and on market equilibrium. Topics may include the expected utility hypothesis, risk bearing and risk sharing, search, adverse selection, signaling, contract theory, mechanism design, information acquisition and information transmission.

Prerequisite: ECON2210 Microeconomic theory or ECON2211 Microeconomic analysis

ECON2216. Industrial organization (6 credits)

This course studies the pricing and output decisions of firms and the performance of the market under various market structures. Topics include theories of oligopoly; product differentiation; the effects of imperfect and asymmetric information; the examination of pricing practices such as price discrimination, tie-in selling, and resale price maintenance; collusion and anti-competitive behaviours, and public policies related to the promotion or restriction of competition.

ECON2219. Selected topics in price theory (6 credits)

This course acts as a platform to provide an overview of topics that are conceived to be pivotal in economics. The topics are essentially micro-based, but have applications in other disciplines like macroeconomics and finance. Specific topics are picked by the instructor. Previous examples include venture capital and private equity, antitrust, competition policy, property rights, theory of the firm, incomplete contracting, financial contracting, bankruptcy, and corporate voting.

Prerequisite: ECON2101 Microeconomic theory or ECON2113 Microeconomic analysis

ECON2222. Monetary economics (6 credits)

This course discusses the role of money in the economy, including how money affects inflation, interest rates and output and employment in both the static and dynamic contexts. Related topics are theories of money demand and supply, the conduct of monetary policy, rules vs. discretion, adaptive and rational expectations, time inconsistency, origin of money, and electronic means of payments.
ECON2223. Public finance (6 credits)

Study of the role of government in the economy, using microeconomic theory. The course covers public expenditure analysis and methods of financing government expenditures. It explores the underlying theory of welfare economics as well as the economic effects of public policy such as public sector pricing, expenditure and tax policies.

ECON2225. Economics of Population Changes (6 credits)

Fertility and mortality rates changed drastically in many parts of the world. This course examines these demographic changes, their causes and consequences, and related policy issues. We first look at trends in world population and provide fundamental demographic concepts of mortality, fertility, immigration and age structure. We then discuss economic consequences of demographic changes, including demographic dividend, saving and retirement decisions, and human capital accumulation. We also examine economic causes of population changes. Finally, we examine policy issues related to demographic changes, such as retirement pension and health care reform. Prerequisite: ECON1002 Introduction to Economics II

ECON2229. Topics in macroeconomics (6 credits)

This course provides students with an up-to-date account of the theory and practice of modern macroeconomics. The following areas that have shaped modern macroeconomic research will be covered: real business cycle theory, endogenous growth theory, and new Keynesian theories of labour markets, asset markets and stick prices. Other selected topics on fiscal and monetary policy will also be discussed. Prerequisites: ECON2210 Microeconomic theory or ECON2211 Microeconomic analysis, and ECON2220 Macroeconomic theory or ECON2221 Macroeconomic analysis

ECON2232. Economics of human resources (6 credits)

This course studies the allocation of human resources through the labour market and the utilisation of human resources inside the firm. Issues related to investment in human capital, wage determination, labour force participation, worker mobility, hiring decisions and other personnel practices are examined.

ECON2233. The economics of law (6 credits)

Economic analysis applied to law. Topics may include: efficiency of law, rules of liability, tort rights and remedies, criminal sanction, legislative processes as resource allocating and income distributing mechanisms.

ECON2234. Transportation economics (6 credits)

Microeconomic framework applied to transportation. The cost-benefit approach to urban transportation includes topics such as optimal pricing and infrastructure investment, consumer's surplus and quasi-rents, peak load and cost allocation problem, economies of scale and dis-economies of scope, mode choice and value of time.
ECON2235.  Project evaluation (6 credits)

This course covers the economic evaluation of projects from a public sector viewpoint using microeconomic tools. It explores the normative aspects of evaluating public projects and policies, the measurement of welfare change and public investment criteria, and employs basic financial analysis. Economic and financial evaluation of government projects and Build-Operate-Transfer infrastructure projects (so-called BOT projects) will be discussed.

ECON2242.  Theories of investment (6 credits)

Applications of the theory of choice over time (capital theory) to the investment decisions of individuals, firms and economies, under different assumptions regarding certainty, uncertainty, and adjustment costs.
Mutually exclusive course: ECON2265 Investment, technology, and economic growth

ECON2243.  Capital theory (6 credits)

General equilibrium theory involving time under certainty conditions. The concepts of full information, stationary state, and steady state. Assumptions about information costs, transaction costs and complete markets. Fisher's separation theorem. Theory of consumption over discrete and continuous time. Theory of production over discrete and continuous time. Determination of general equilibrium over time. Intertemporal prices and interest rates.

ECON2244.  Economics of banking (6 credits)

This course examines the functions and behaviour of banks from an economic rather than a management perspective. Topics include origin of financial intermediaries, banks vs. non-bank financial institutions, organization of the banking industry, lender-borrower relationship, equilibrium credit rationing, banks as delegated monitors, banks in the macroeconomy, bank runs and systematic risks, risk management of the banking firm, and the regulation of banks.

ECON2246.  The economics of finance (6 credits)

A survey of the economic theory underlying corporate and investment finance models, with an emphasis on financial instruments. Topics include: balance sheet management and evaluation, capital market equilibrium and efficiency, evolution of credit and money market instruments like financial swaps, stocks and bonds, financial futures and options. Eurocurrencies and the role played by banks, insurance companies and other financial institutions.

ECON2248.  Finance and development (6 credits)

This course studies the interaction between the financial sector and the rest of the economy, that is, how financial markets and institutions affect economic performance and vice versa. Topics include flow-of-funds accounts, financial structure and economic development, financial repression, financial liberalization and financial deepening, financial reform in developing and transition economies, banking crises and currency crises, capital account liberalization, the globalization of world capital markets, and financial policies and regulation.
ECON2249. Foreign trade and investment in China (6 credits)

Built upon contemporary scholarly work on international economics, economics of multinational enterprises and international business, this course presents a set of tools, concepts, and perspectives to help you comprehend key issues in China's foreign trade and investment and make related business decisions. This course contains several major themes, including:
(a) What opportunities does the emergence of the Chinese economy offer to foreign firms?
(b) Whether and how should an foreign firm be involved in the Chinese economy?
(c) How to understand China’s trade?
(d) How to manage international trade with China?

How to manage direct investment projects in China and compete successfully in the China market?

ECON2252. Theory of international trade (6 credits)

This course deals with economic issues which are related to many countries. It provides students with global perspectives of economic and business decisions. Topics include why countries trade, how they trade, who benefit and who lose from trade, and what are the best trade policies. We also discuss recent globalization issues in this class.

ECON2253. International finance (6 credits)

The course is an introduction to an evolving and growing literature on international finance. Topics covered in the course include the international monetary system, the concept of balance of payments, theories of balance of payments, parity conditions, models of exchange rate determination, forward-looking market instruments (forward, futures, and options markets), Eurocurrency markets, and financial crises.

ECON2255. The economic system of Hong Kong (6 credits)

The course provides a comprehensive discussion of the salient aspects of the Hong Kong economy. Topics include Hong Kong’s national income accounting and economic development, the monetary system and exchange rate regime, the financial system, public finance and fiscal policy, external trade and foreign investment, economic relations with the Mainland, the labour market and employment, the property market and housing policy, regulation of public utilities and competition policy, industrial development and policy, and income distribution. Emphasis will be given to both economic analysis and institutional arrangements of the major economic sectors and related policies. Attention will be given to topics of recent public concern.

ECON2262. Economic development (6 credits)

The purpose of this course is to apply concepts from introductory micro- and macroeconomics to understand a variety of important problems faced by developing economies. The emphasis is on concepts and basic theories that can be applied in a variety of contexts. Potential topics to be discussed include inequality, economic growth, population problems and international trade.

ECON2264. Economic development of China (6 credits)

The purpose of this course is to introduce the economic development of China in recent 60 years, particularly the economic reforms in recent 30 years, with a focus on Chinese institutions and how they change. As a development economics course, micro, macro economic theories and statistical analysis are applied.
ECON2265. Investment, technology, and economic growth (6 credits)

The course begins by reviewing the neoclassical micro- and macro-theories of investment in 'physical' assets like plant and machinery. The analysis is then extended to incorporate technological change, especially with regard to its impact on the relationship between investment and economic growth. As far as possible, the exposition will be non-technical.

ECON2266. Urban economics (6 credits)

Urban economics is the study of the location choices of firms and households. It examines the question of the where of economic activity, a question largely ignored by the other branches of economics. Topics include the growth and development of cities; land use within cities; urban transportation; housing and public policy; urban problems such as pollution, poverty and crime; and market forces determining the locations of ports and other transshipment points.

ECON2272. History of economic thought (6 credits)

This course is a survey of fundamental developments in economic thought since the 18th century, with emphasis on works in English. The first part of the lectures reviews the writings of classical economists like Smith, Ricardo, and Mill, with an aside on Marx. The second part goes on to discuss the development of neoclassical theory from Jevons to Marshall and the Cambridge School, and mathematical economists like Fisher, Pareto, and Wicksell. If time allows, we will trace the evolution of macroeconomics from the time of Keynes.

ECON2273. Economic history of China (6 credits)

An overview of China’s economy in the past 1,000 years and its relation with the rest of the world. Growth in productivity and population, development of transportation and market infrastructure, money and credit in the Song/Yuan and Ming/Qing era. China’s foreign trade in medieval and early modern times. European discovery of the New World and its impact on China’s economy and trade. Comparisons of Ming/Qing China with early modern Europe. Reasons why China fell behind and why the Industrial Revolution did not happen in Ming/Qing China. Implications for the 21st century.

ECON2275. Political economy of public policy (6 credits)

The course provides a theoretical and empirical understanding of the political economy of public policy making; familiarize students with the applications of political economic analysis to analyze important policy issues. Topic covered include, public goods, externalities, monopolies, regulation, rent seeking, law enforcement, public bureaucracy, political business cycles, and the economics of legal rules.

ECON2276. State, law and the economy (6 credits)

Economic analysis is applied to the study of the evolving relationship between state, law and the economy. Topics covered include: paradox of voting, collective action, voting and elections, interest groups, agenda manipulation, dictator’s dilemma, constitutional commitment, property rights and institutional change, and growth and stagnation of backward and modern economies.
ECON2277. Comparative economic systems (6 credits)

Alternative approaches to the understanding of the operation of economic systems, including an approach based on different structures of property rights.

ECON2278. Great Events in History: An Economic Analysis (6 credits)

This course attempts to explain historically significant events in terms of economic analysis. Topics to be covered include: economic growth since the first industrial revolution, business cycles (especially the Great Depression), great inflations and deflations, and important instances of economic policy. Students reading this course will be able to more fully understand how the modern economic world came about, and the likely directions it will follow in the future. It is expected that students will also be better trained to apply economic analysis and induction-based reasoning to explain and interpret contemporary developments and policies.

ECON2283. Economic forecasting (6 credits)

This course introduces basic techniques in forecasting economic structural relationships. Topics include smoothing, filters, arima models, unit roots and stochastic trends, vector autoregressions, cointegration and error correction, regime switching, volatility, diagnostics, model selection, forecast evaluation and combination.
Prerequisite: ECON2280 Introductory econometrics

ECON2284. Mathematical methods in economics (6 credits)

The main emphasis of the course is to explain the mathematical structure of some undergraduate level economic theories, in terms of the way in which each particular mathematical assumption is translated into their economic counterpart. The course covers multi-variable unconstrained maximization, constrained maximization, comparative statics, and a brief introduction to some dynamic economic models.

ECON2285. Mathematical economics (6 credits)

Modern economic theory treated mathematically. Topics may include: applications of optimization to choice theory, applications of the implicit function theorem to comparative statics, applications of differential and difference equations to stability of equilibrium, applications of linear mathematics and fixed point theorems to Leontief and Arrow-Debreu models, and applications of optimal control theory and dynamic programming to certainty and stochastic dynamic optimization models.

ECON2292. Current economic affairs (6 credits)

This seminar-style course is designed to train students to analyse economic problems of the day, particularly those relating to the Hong Kong economy. Students are expected to conduct supervised research on current economic problems and to lead and participate in classroom discussions.
FINAL-YEAR ELECTIVES
(ECONOMICS COURSES)

ECON4293. Reading course (6 credits)

This course consists of supervised reading and written work. Candidates may specialize in one topic
under the supervision of faculty members of the School of Economics and Finance. Examples of
topics are: the problem of social cost, investment in human capital, general equilibrium theory,
empirical methods in international trade, international monetary relations, theories of saving and the
East Asian economies, and current economic problems of Hong Kong.
Candidates must submit the title of their project within the first two weeks of the semester for
approval by the Director of the School of Economics and Finance. An original project paper is
required in lieu of a written paper in the Examination. The project paper must be completed and
presented not later than the first day of the assessment period for that semester. Candidates shall
submit a statement that the project paper represent their own work (or in the case of joint work, a
statement countersigned by their co-worker(s), which shows the degree of their work) undertaken
after the registration in the course.

ECON4294. Dissertation (12 credits)

Candidates may write a dissertation under the supervision of faculty members of the School of
Economics and Finance. Topics offered may vary from year to year, depending on the research
interests of the lecturer. A satisfactory dissertation may be offered in lieu of two written papers in the
Examination.
Candidates must submit the title and an outline of their dissertation for approval by the Director of the
School of Economics and Finance not later than December 1 of the final year of the curriculum, and
the dissertation shall be completed and presented not later than the first day of the assessment period
for the second semester. (Note: The course extends over two semesters. Candidates must enroll in the
first semester.)
Prerequisite: Cumulative GPA of 3.0 or above at the time of enrolment
Remarks: Open only to BEcon/B Econ&Fin students and students major in Economics.
SENIOR ELECTIVES  
(FINANCE COURSES)

FINA2311  
Case studies in corporate finance (6 credits)

This course is structured around the most important financial decisions made at firm level in an uncertain environment. For examples: what capital structure to adopt (financing decision); how to value a firm or investment project (investment/valuation decision); how to raise capital in the equity market (IPO decision); what mechanisms to put in place to discipline manager and the largest shareholder (corporate governance decision); whether to return cash and how to return cash to investors (dividend/share repurchase decision); and whether a firm should engage in mergers and acquisitions (M&A) activities and how to do an M&A right (M&A decision). This course exposes students to some of the most fundamental issues in corporate finance today as well as some of the most important advances in corporate finance of the last decade. It will offer students an opportunity to understand how the concepts and theories of corporate finance are applied in real world and generate lasting impact on firm values, a driving issue faced and constantly asked by CFOs and CEOs. This course will be taught using a case-oriented approach.
Pre-requisite: FINA1310 Corporate finance.

FINA2312  
Advanced corporate finance (6 credits)

The objective of this course is to introduce the theoretical literature on the microeconomics of corporate finance in a unified framework. Topics covered include: corporate financing and agency costs, corporate financing under asymmetric information, liquidity and risk management, corporate finance and product markets, passive and active monitoring in corporate finance, lending relationship and investor activism, control rights and corporate governance, and takeovers. Subtle elements of information and agency considerations are emphasized.
Pre-requisite: FINA1310 Corporate finance

FINA2313  
Theories of corporate finance (6 credits)

A course on the advanced treatment of corporate financial decisions. Topics to be covered include corporate valuation; cost of capital; capital structure; leasing; mergers and acquisitions; options; warrants; and convertible bonds.
Prerequisite: FINA1310 Corporate finance

FINA2323  
Fixed income securities (6 credits)

An integrated analysis of the market institutions, theory and empirical evidence in the area of fixed-income markets. Topics covered: Treasury markets, bond mathematics, arbitrage-free models of the term structure, corporate-debt pricing, convertible bonds, primary mortgage markets and securitization, immunization and portfolio insurance, valuation of futures and options on bonds, embedded options, and interest rate risk management.
Prerequisites: FINA2320 Investments and portfolio analysis and FINA2322 Derivatives
FINA2324. Interest rate models (6 credits)

This course introduces various state-to-the-art techniques in modeling fixed income securities. In particular, the course starts with the discount factor approach in pricing all kinds of bonds. Then we focus on modeling the discount factors. Models are introduced in two major parts. First, the course emphasizes discrete-time models based on binomial trees in order to understand the economic insight of the risk-neutral pricing. Second, extensions to continue-time models are also discussed in detail. Calibration and implementation of the models will be studied. Other related topics may include interest rate risk management, interest rate derivatives, and monetary policy.

Pre-requisites: FINA2323 Fixed income securities and FINA3350 Mathematical finance

FINA2325. Alternative investments (6 credits)

This course provides an overview of various forms of alternative investments that include hedge funds, managed futures, private equity, venture capital, real estate, commodities and foreign exchanges. The purpose of the course is to give students a good understanding of the operation of these investments, the benefits and pitfalls associated with them; and strategies to integrate them in the context of portfolio management. The current state of research and practice of the industry will be addressed.

Prerequisites: FINA2320 Investments and portfolio analysis and FINA2322 Derivatives

FINA2330. Financial markets and institutions (6 credits)

This course is designed to introduce and analyze the structure, operations and functions of the financial system. The course starts with an introduction to financial markets’ role in the economy, and the determination of interest rates and valuation of cash flows. The course then discusses various financial markets including money markets, bond markets, mortgage markets, stock markets and derivatives markets. Financial institutions will be discussed with an emphasis on their major functions and operations.

Prerequisite: FINA1310 Corporate finance

FINA2331. Management of commercial banks (6 credits)

This course introduces basic bank management techniques that include: asset and liability management, liquidity and reserve management, credit analysis, loan pricing and off-balance-sheet banking. Regulatory issues of commercial banks are also discussed.

FINA2332. International banking (6 credits)

FINA2333. Asian financial institutions (6 credits)

History and institutional aspects of financial markets in Hong Kong, Mainland China, Japan, Singapore and other Asian economies. Regulatory policies and practices.

FINA2340. Risk management (6 credits)

This course covers the advanced techniques for corporate financial risk management. Topics include (i) the identification and measurement of financial risk, (ii) risk management for equity portfolio, (iii) risk management for fixed income securities portfolio, (iv) risk management for derivative securities portfolios, (v) risk management for financial institutions, (vi) Riskmetrics, (vii) credit risk management, and (viii) the recent development of risk management tools and techniques in financial markets.
Prerequisite: FINA2320 Investment and portfolio analysis and FINA2322 Derivatives

FINA2342. Insurance: theory and practice (6 credits)

Insurance is the study of risk financing through risk pooling. The use of insurance to reduce the adverse financial impact in case of a loss has become an important element of financial and risk management in our society. This course will cover the theories underlying each major type of insurance products; the characteristics of the contractual agreements pertaining to insurance products; the structure of the insurance industry and its impact on the pricing of insurance products; the operation of insurance companies and the need for government regulations of the industry.

FINA2352. Empirical finance (6 credits)

This course is a survey and introduction to the empirical research methods commonly used in the analysis of financial markets and how they are applied to actual market data. Topics may include: properties and patterns of returns, tests of asset pricing models and term structure models, efficient markets hypothesis and return anomalies, event study methodology, and estimating time-varying volatility models.
Prerequisite: ECON2280 Introductory econometrics

FINA2360. Financial practicum (6 credits)

This elective course has no official coursework. It allows students to earn course credits while gaining real world experience via internship or providing consulting service to financial institutions. Approval from the Director of the School of Economics and Finance is needed. Students will be supervised by a faculty member and a mentor from the financial institution.
Remarks: Only available to FBE students.

FINA2381. Behavioral finance (6 credits)

Behavioral finance is the application of psychology to financial behavior. We will explore various behavioral frames, biases and heuristics and examine their implications on the aggregate market, individual investors, cross-section of average returns and corporate decision makings in a world of limited arbitrage.
Prerequisites: FINA1310 Corporate Finance and FINA2320 Investments and Portfolio Analysis
FINA2382. Real estate finance (6 credits)

An introduction to real estate economics, mortgage market, real estate auctions in Hong Kong, pre-sale market in Hong Kong, pricing of land and residential/commercial properties, mortgage-backed securities and mortgage company.

FINA2383. International financial management (6 credits)

The course studies corporate financial decisions in an international setting. We start with basic concepts of international financial markets. These concepts include the global foreign exchange market and its operations, the international capital market, the global bond market, the international equity markets, and cross-border portfolio investment. Then, we discuss corporate financial decision issues including risk management, investment, capital structure, capital budgeting, and cash management in the global context.

FINA2384. Special topics in finance (6 credits)

This course covers current developments in finance. Possible topics include security trading and market making, venture analysis, financial contracting, investment strategies for local markets and other current issues in finance. The exact topic to be offered will be determined by the lecturer(s).
Prerequisite: FINA2320 Investments and portfolio analysis and FINA2322 Derivatives

FINA3350. Mathematical finance (6 credits)

This course provides students with the necessary mathematical techniques used in continuous-time finance. It covers stochastic calculus, partial differential equation and applied probability. After taking this course, one should be able to fully understand no-arbitrage theory, Black-Scholes equation, risk-neutral probability and martingale. The purpose of this course is to lay down a solid mathematical foundation for students to learn more advanced topics in financial engineering, such exotic options, interest rate derivatives and credit risk models.
Pre-requisites: FINA2320 Investments and portfolio analysis, and FINA2322 Derivatives and MATH1111 Linear algebra, and MATH2211 Multi-variable calculus, and STAT2303 Probability modeling.
Mutually exclusive course: MATH2906 Financial calculus

FINA3351. Spreadsheet financial modeling (6 credits)

This course studies the design and implementation of computer programs for financial modeling using spreadsheets and structured programming techniques. The course will focus on developing skills in translating financial models into spreadsheets and programs using Microsoft Excel and Visual Basic for Applications (VBA), examining popular financial and investment models, integrating spreadsheet functionalities, programming, and interfaces in financial applications, and hands-on experience in designing, coding, and debugging computer programs.
Prerequisites: FINA2320 Investments and portfolio analysis; and FINA2322 Derivatives; and COMP1117 Computer programming I.
FINA4341. Quantitative risk management (6 credits)

The objective of this course is to introduce concepts, techniques and framework for quantitative risk management at financial institutions. Financial firms, with their complicated list of positions in a mixture of instruments, are exposed to various sources of financial risk. This class focuses mainly on market risk, the risk of unexpected changes in prices and rates. The first part of the course introduces basic concepts in risk management and builds the toolkit for measuring risk quantitatively. The second part of the course is devoted to studying the widely accepted Value at Risk (VAR) systems, including calculations, back testing and flaws of VAR. The course also touches on other aspects of financial risk such as liquidity risk, credit risk and operational risk.

Prerequisites: FINA3350 Mathematical finance, and
FINA3351 Spreadsheet Financial Modeling.

FINA4353. Operational issues and cases in quantitative finance (6 credits)

This course addresses a number of practical issues in quantitative finance. They include compliance, tax, operational risk, best practices, and professional codes of ethics as practiced in the quantitative finance industry. These issues are taught in the context of case study so that students can appreciate the peculiar company-specific and market-specific factors in decision making. Famous cases such as Enron, Long-term Capital Management, and Lehman Brothers are examined.

Prerequisites: FINA3350 Mathematical finance, and
FINA3351 Spreadsheet financial modeling.

FINA4354. Financial engineering (6 credits)

Financial engineering is the process of constructing new instruments by using bonds and individual derivatives such as forwards, calls, puts, and exotic options as basic building blocks. The process involves designing, pricing and managing the instruments. In this course, we anatomize a few popular structural products. We then discuss how to price these products by studying the price of the embedded exotic options. We study the risk exposure of the investors and the risk management of the issuer. We also discuss some topics on the market for volatility trading, numerical methods for option pricing, and models beyond Black-Scholes.

Pre-requisites: FINA3350 Mathematical finance, and
FINA3351 Spreadsheet financial modeling

FINAL YEAR ELECTIVES
(FINANCE COURSES)

FINA4391. Reading course (6 credits)

The course consists of supervised reading and written work. Candidates may specialize in one topic under the supervision of faculty members of the School of Economics and Finance. Candidates must submit the title of their project within the first two weeks of the semester for approval by the Director of the School of Economics and Finance. An original project paper is required in lieu of a written paper in the Examination. The project paper must be completed and presented not later than the first day of the assessment period for that semester. Candidates shall submit a statement that the project paper represents their own work (or in case of joint work, a statement countersigned by their co-worker(s), which shows the degree of their work) undertaken after the registration in the course.
FINA4392. Dissertation (12 credits)

Candidates may write a dissertation under the supervision of faculty members of the School of Economics and Finance. A satisfactory dissertation may be offered in lieu of two written papers in the Examination.

Candidates must submit the title and an outline of their dissertation for approval by the Director of the School of Economics and Finance not later than December 1 of the final year of the curriculum, and the dissertation shall be completed and presented not later than the first day of the assessment period for the second semester (Note: The course extends over two semesters. Candidates must enroll in the first semester).

Prerequisite: Cumulative GPA of 3.0 or above at the time of enrolment
Remarks: Open only to BFin/B Econ&Fin students and students major in Finance.