

# FinTech and Financial Services

## January-February, 2019

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### Course description

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The course focuses on what is FinTech and how growth, development and use of new technologies are changing world of Financial Services and would change daily operations of Financial Institutions. During the course we would review reasons for abrupt growth of new technologies use and adoption in financial services (technological, business & regulatory ones), explore main directions in use of such technologies (what is FinTech world & who the unicorns are), analyze reasons for success or failure of digital transformation projects in world of financial services (models of FinTech and FI cooperation).

The course combines theoretical study of the FinTech phenomenon and practical training of its analysis in group exercises. Throughout the course, we investigate:

- What is FinTech and why the concept is in such use during last few years;
- Who are the companies we usually name as FinTech, what is PayTech / IdTech / InsurTech / RegTech / LegalTech...;
- Who are the unicorns and possibility to repeat their success;
- Regulation on FinTech & Financial Institutions – models and approaches, Pro's & Con's;
- How Financial Institutions may cooperate with FinTech companies;
- How to select and evaluate FinTech-companies.

### Grading

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The course grade is based on teamwork (50%) and individual project (50%). The grade for teamwork will account for overall team's results, understanding and application of knowledge & analysis by the team, participation in team work, team dynamics and presentation skills. Individual project will require you to make a short analysis of selected FinTech business-case based on general knowledge learned thru the course. In addition, the course grade may include in-class quizzes (their contribution to the grade will be disclosed prior to the course).

### Course intended schedule and contents

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TBA – detailed schedule would be announced during the classes.

Week	Topics
1	<b>General introduction to the course</b>
	<b>Trends predefining &amp; forming future of financial services</b>
	<b>Financial institutions towards the future:</b> <ul style="list-style-type: none"><li>• “new” information technologies and their role in financial services’ change;</li><li>• interrelation &amp; interconnections of Financial Institutions &amp; FinTech companies;</li></ul>

	<ul style="list-style-type: none"> <li>possible scenarios and models of existing FI's transformation;</li> </ul>
	<b>Consumers:</b> potential attitude and behavioral models towards financial services and FI's in the future
	<b>Selling financial services:</b> People or machines?
	<b>Marketing financial services:</b> Push or pull?
2	<b>Financial services' development - Payment services:</b> General overview & business models
3	<b>Financial services' development - Lending:</b> General overview & business models
4	<b>Financial services' development - Insurance:</b> General overview & business models
5	<b>Financial services' development - Infrastructure &amp; KYC:</b> General overview & business models
6	<b>Financial services' development - Regulation</b>
	Reasons to change regulation
	Regulation: "hot topics" (DLT, AI, IoT...) & foundations
	Regulatory "sand-boxes"

## **Description of course methodology**

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The course will include intensive lectures & work in groups during the classes.

## **Sample tasks for course evaluation**

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TBA

## **Course materials**

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There are no ideal sources for the course, however one may start from the following readings:

1. The Future of Financial Services - [http://www3.weforum.org/docs/WEF\\_The\\_Future\\_of\\_Financial\\_Services.pdf](http://www3.weforum.org/docs/WEF_The_Future_of_Financial_Services.pdf)
2. The future of financial infrastructure - [http://www3.weforum.org/docs/WEF\\_The\\_future\\_of\\_financial\\_infrastructure.pdf](http://www3.weforum.org/docs/WEF_The_future_of_financial_infrastructure.pdf)
3. Beyond Fintech: A Pragmatic Assessment Of Disruptive Potential In Financial Services - <https://www2.deloitte.com/content/dam/Deloitte/tw/Documents/financial-services/tw-FSI-2017Fintech.pdf>
4. Бретт Кинг «Банк 3.0. Почему сегодня банк = это не то, куда вы ходите, а то, что вы делаете» <https://www.ozon.ru/context/detail/id/135688587/>
5. Joseph H. Cady "Five Future Forces Impacting Banks" <https://www.bai.org/banking-strategies/article-detail/five-future-forces-impacting-banks>

6. Мехтиев Э.О. «Back to the future, или Карфаген должен быть разрушен»  
<http://rfinance.ru/live/analitics/?id=12068>;
7. Мехтиев Э.О. «Банк будущего – возможные бизнес-модели»  
<http://futurebanking.ru/post/3035>;
8. Мехтиев Э.О. «Удиви – удержи – монетизируй» <http://ko.ru/persona/item/132957-udivi-uderzhi-monetiziruj>;

Additional readings will be provided during the course.

### **Academic integrity policy**

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Cheating, plagiarism, and any other violations of academic ethics at NES are not tolerated.