Minor in Financial Decision-Making in a Social Context: History, Sociology, Behavioral Finance and Corporate Finance

Description

The title of this minor is “Financial Decision-Making in a Social Context: History, Sociology, Behavioral Finance and Corporate Finance” and the focus is on how organizations and individuals make financial decisions, analyzed in a theoretical, social and historical context.

The Minor concept

A minor gives you the opportunity of having a second specialization in your degree. The minor is a bundle of four courses that can be chosen separately but if chosen together rewards a minor.

Purpose

The purpose of the Minor is to combine knowledge and understanding of financial theory and practice with historical, philosophical and sociological approaches to financial institutions and financial markets. In particular, students will be able to:

- Master a solid understanding of state-of-the-art knowledge on financial decision-making in a social and historical context.
- Acquire historical, sociological and philosophical knowledge to *critically* analyze the contexts and foundations of financial decision-making by individuals and organizations.
- Acquire concrete analytical and applicable knowledge and skills that enable students to evaluate and provide solutions to problems in organizations within or related to the financial industry.

Structure

Course	ECTS
Modern Finance and Corporate Finance	7.5
Behavioural Finance	7.5
Historical Foundations of Financial Institutions and Markets	7.5
Sociological and Philosophical Perspectives on Finance	7.5

The minor has two financial theory courses (*Modern Finance and Corporate Finance* and *Behavioral Finance*) and two financial context courses (*Historical Foundations of Financial Institutions and Markets* and *Sociological and Philosophical Perspectives on Finance*). The four courses are designed to provide students with skills to identify, understand and suggest solutions to financial issues and problems that affect organizations, markets and individuals by investigating their scientific and philosophical foundations and situating them in their larger social and historical context.

Course descriptions:

Finance Courses

1. **Modern Finance and Corporate Finance**. While focusing on corporate finance, this course will also provide the students with a sound theoretical understanding of financial markets and institutions more generally. Associate professor Thomas Poulsen from the Department of International Economics and Management teaches this course.

2. **Behavioral Finance** builds upon the course on behavioral economics from the second semester. The course has a special focus on decision-making under assumptions of bounded rationality. Professor Steffen Andersen, Department of Finance, and associate professor, Jimmy Martinez, Department of Economics teach this course.

Contextual Courses

1. **Historical Foundations of Financial Institutions and Markets** provides a historical and institutional perspective on the development of financial markets and financial institutions internationally and in Denmark. The historical focus enables students to critically understand and discuss the development and dynamics of the financial industry, including individual financial firms in their historical context. The course also considers how perceptions of the past constrain strategies and decisions in the present, and how such decisions have contributed to financial instability. The course is discussion and case-based and students are required to take part in group presentations. and is taught by professor Per H. Hansen, Department of Management, Politics and Philosophy.

2. **Sociological and Philosophical Perspectives on Finance** takes its point of departure in the increasingly important sociology of finance. The aim of the course is to provide students with a solid understanding of the social aspects of present-day finance. This includes insights into the organizational dynamics of trading firms; developments of financial markets toward increasing computerization; and the role of financialization, i.e. the broader effects finance has on society. The course is taught by Professor Christian Borch, Department of Management, Politics and Philosophy.

Content

The four courses are taught in quarters, with the Corporate Finance course and the Historical Foundations course taught in the first quarter and the Behavioral Finance and Sociology of Finance courses taught in the second quarter. The four courses are coordinated to ensure a progression from the first to the second quarters, just as a tight link is established between courses taught in the same quarter.

Examinations

Exam name	Exam form	Gradingscale	Internal/external exam	ECTS
Financial Decision-Making in a Social Context 1: Corporate Finance and History of Finance	Oral exam based on written product	7-step scale	Internal exam	15
Financial Decision-Making in a Social Context 2: Behavioral Finance and Sociology of Finance	Oral exam	7-step scale	Internal exam	15