

**SUMMIT OF UNIVERSITIES – CALL FOR CENTRAL EUROPEAN SUMMER SCHOOL**  
**SUCCESS**  
**SUCCESS OF CENTRAL EUROPE AND EAST ASIA – BUSINESS AREAS OF MUTUAL ADVANTAGE**  
**SYLLABUS**

## **I. Aim of the programme and the organisers**

**Programme focus: success factors of the economies of Central European countries and the possible areas of mutually advantageous cooperation fields with East Asian countries**

During the SUCCESS 2018 program participants will have the opportunity to gain an uniquely global perspective by expertise in both the local and international businesses' operations across the Central European area as well as learning in a global environment focusing especially on the East Asian region and the possible business connections of the two areas. The Organiser's aim is to give an insight of the economy of Central Europe, trends of the international processes, growing importance of the IT world and conditions in case of commerce, finance and logistics while focusing on both theoretical and practical methods.

The aim of organizers is to involve the audience in a high level educational program and to give the possibilities for the students to actively take part in practical exercises. Furthermore, the SUCCESS 2018 gives opportunities for the participants to take part in relevant company visits and cultural and free time programmes.

**Organisers: Budapest Business School – University of Applied Sciences & the Magyar Nemzeti Bank (MNB) - Hungarian Central Bank**

**Budapest Business School** is one of the most prominent universities in Hungary, which is

- integrating three faculties, i.e. Commerce, Hospitality and Tourism; International Management and Business; and Finance and Accountancy,
- highly ranked among economic and business universities in accordance with our students' employment and carrier opportunities,
- a leader and participant in several international strategic partnership projects,
- a key partner for Erasmus and other mobility.

For further details, see <https://en.uni-bge.hu/>. For our Summer School event, also see <https://www.facebook.com/success.budapest/>.

**The Magyar Nemzeti Bank (MNB) - Hungarian Central Bank is responsible of the monetary policy of Hungary: In the framework of its Social Responsibility Program the MNB supports several higher education programmes and the inter-university connections.**

## Syllabus of SUCCESS 2018

For further details, see: <https://www.mnb.hu/en>. About the Social Responsibility Programme of the MNB: <http://www.mnb.hu/en/pressroom/press-releases/press-releases-2014/magyar-nemzeti-bank-launches-pallas-athena-public-thinking-programme>

### II. Target group of participants, and the requirements for entry

Target group of participants: active higher education students. Academic transcript must be attached to the application.

Selection process of participating students: applications will be evaluated based on the student's academic scores at their home institution.

**Deadline for application: 20<sup>th</sup> of April, 2018.**

Acceptance of applications: 31<sup>st</sup> of May, at the latest.

Participation is subject to a fee of **800 Euro**. This fee entitles the students to the following benefits:

- Free breakfast on lecture days
- Organized study trips and company visits
- Theoretical and practical lectures by lecturers with strong professional background
- Opportunity to work in international groups
- Opportunity to try yourself in an international environment
- Opportunity to learn more about Central Europe as well as its business and cultural life
- Public transport passes with free Danube cruising.

**Participation fee does not include:** insurance, visa and travelling expenses.

### III. Course modules

*The length of courses could be varied from the planned schedule in terms of lecturer's theme.*

#### REGIONAL ECONOMIC POLICY

##### Course objectives and competences:

##### 1. Elements of Macro-economy

The study of economic policy begins with learning of macro level economics. In large measure, it is the study of how people make choices, how individuals and societies choose to use the scarce resources that nature and previous generations have provided. The purpose of this part and is to elaborate on the main elements of macro-economic definition and to introduce the subject matter of economics, such as: definition of macroeconomic policy, main objectives of government economic policy, and types of macroeconomic policies

**Lecturer: Professor Tamás Kozák**

##### 2. The Main Functions Of Government Macroeconomic Policy

Economic theory helps us understand how the world works. The formulation of economic policy requires to have objectives. What do the decision makers want to change? Why? What is good and what is bad about the way the economic system is operating? How can the decision maker make it better? Four criteria are frequently applied in judging economic such as: stabilization, allocation, growth and redistribution.

**Lecturer: Professor Tamás Kozák**

##### 3. Competitiveness

Boosting medium- and long-term competitiveness, which requires a big improvement for example in investment or labour market, should be key issues to strengthen the economy. The degree of business orientation in most of the policies has to be very strong to this international competition. The purpose of this part and is to elaborate on the main elements of source of national or regional competitive advantages, such as: supply side policies, labour market, relationship macroeconomic policy and company strategy.

**Lecturer: Professor Tamás Kozák**

**4. Macroeconomic and financial challenges after the Great Recession in the EU: a New Era?**

It is discussed how the governments can play a major role in the macro-economy, so a useful way of learning how the macro-economy works is to consider how the government uses policy to affect the economy. The two main policies are fiscal policy and monetary policy. Much of the study of macroeconomics is learning how fiscal and monetary policies work together.

**Guest Lecturer: Kristóf Lehmann (Magyar Nemzeti Bank (MNB) - Hungarian Central Bank)**

**5. Changing regional dimensions of the EU: Geopolitical aspects after the crisis**

Discussion of the changing regional dimensions of the EU covers the geopolitical aspects of recovery after the crisis. Most of the countries in the European Union attempts to emulate success for example pursuing export promotion of manufactured goods. Several countries have success at pursuing an outward-looking trade policy, for example Hungary's growth has been significantly export-driven, as well.

**Guest Lecturer: Géza Salami (Magyar Nemzeti Bank (MNB) - Hungarian Central Bank)**

Assessment: oral/written exam.

**GEOPOLITICS & INTERNATIONAL TRADING RELATIONS**

**Course objectives and competences:**

Participants gain knowledge of geopolitical situation of Hungary; the Visegrad 4 (V4) and the CEEU countries; hence about special connections and possibilities with South-East Asia.

Another goal of the course is to understand the background of international trading techniques, the export-import relationship, moreover the issues of stock financing with Lombard credits.

Furthermore; participants will get an insight of the specialities of Futures Market; forwarding, futures and option techniques; analysis of the commercial activities and the combined operation of Futures and Lombard function and the possibilities focusing on ASEAN countries.

**1. Geopolitical situation and cooperation of CEEU countries:**

Acquiring special knowledge from first hand experts of geopolitics; regarding Central European countries in the EU and CEEU countries as a historical region. Two main topics will be discussed: Alternative economic cooperation of CEEU countries (China+16), The developmental state and crises in CEEU country examples.

**Lecturers: Guest Lecturers from HCB: Viktor Eszterhai (PAGEO), György László (PADMA)**

**2. International trading; futures and commodity finance techniques:**

The theoretical part of the lecture will discuss the specialities of international trading relations and trading techniques regarding of traditions and multiculturalism and the importance of market concentration, standardization and stock market's deadlines and the Futures and Option Business. In the practical part of the lecture the participants will gain knowledge about individual sales practice in exchange business. Students will be involved in real business practice; using individual exchange accounts.

**Lecturer: Professor László Kozár**

**3. Practical questions of combined operation of Futures and Lombard techniques:**

In the framework of the lecture the students will learn about the essence of combined use of market institutions; unique solution of Price Risk Management; commodity financing; Lombard technique and trade finance solutions. Gaining the necessary basic knowledge, the group will discuss the possible introduction of new market opportunities in the ASEAN region based on Central European experiences.

**Lecturer: Professor László Kozár**

Assessment: oral/written exam.

## CORPORATE FINANCE

**Course objectives and competences:**

The region of Central Europe as well as Hungary is an extremely favoured area for the multinational companies nowadays – many tech companies, auditor firms, banks, moreover foundations open new offices here day by day, mainly as an SSC (Shared Service Centre) to create working places for the thousands of young professionals. During this course participants are expected to gain some insight in this unique business world's financial operations and expectations.

**1. What are the firms' objectives when targeting the CEE region?**

The lecture will discuss how the companies make their investment and financing decisions with the aim of maximizing their long-term shareholder wealth. In the second part of the lecture the students will gain some insight about the business environment of Hungary: Hungarian capital city, Budapest is one of the Silk Road cities - as a result of its connection to the Silk Road Initiative. Within Central Europe, Budapest has recently been ranked as of the 40th top Silk Road city in aggregate connections. Budapest is also one of the most competitive urban place in Central Europe – ranked

## **Syllabus of SUCCESS 2018**

20th in the company strength category within the global urban competitiveness indicator system, which is rationalised by the fact that several multi-national companies have their seats of operation (i.e. shared service centres) in the city.

**Lecturer: Guest Lecturer from Magyar Nemzeti Bank (MNB) - Hungarian Central Bank: to be announced**

### **2. Investing in projects**

The main question of the lecture is how do you know if an investment generates value for shareholders. Shareholders' return is generated by management using the finance provided to invest in real assets. It is vital for the health of the firm and the economic welfare of the finance providers that management employ the best techniques available when analysing which of all the possible investment opportunities will give the best return. The practical part of the lesson will discuss some investment technique: Cost of alternative returns – the investor's opportunity cost is the sacrifice of the return available on the best forgone alternative. State-of-the-art technique 1: net present value. State-of-the-art technique 2: internal rate of return – The conceptual justification for, and the mathematics of, the net present value method of project appraisal, as well as the internal rate of return will be illustrated through a case study.

**Lecturer: Professor Judit Sági**

### **3. Shareholder value and managing risk**

Through the lecture the students on the one hand will gain some knowledge about the components of shareholder value-based management – a managerial approach in which the primary purpose is long-run shareholder wealth maximization. Corporate value (enterprise value), as the aggregate of present value of free cash flow from operations, and value of non-operating assets. On the other hand, the students will be asked to create a risk map with the help of the lecturer: basic, operational and financial risks managers have to deal with. The risk matrix will have to consist: probability and impact of the risks to human resources, environment, company assets and reputation are evaluated in the risk matrix. The concept of the risk matrix will be illustrated through a case study.

**Lecturer: Professor Judit Sági**

Assessment: oral/written exam.

## BUSINESS ANALYSIS AND DIGITALISATION

### Course objectives and competences:

To provide a business sentiment by visiting an international financial company's office and to get insight into its daily operations by taking part in solving a real case study at Morgan Stanley. To discuss the role of cryptocurrencies in world economies with a representative of the Magyar Nemzeti Bank (MNB) - Hungarian National Bank.

#### 1. Morgan Stanley (MS) company visit

"A True Global Citizen. At Morgan Stanley Budapest, our innovative international team is creating change in the world." A Morgan Stanley offsite in the company's office: chief employees and HR representatives introduce the company's presence in international financial markets, in focus of the Hungarian seated risk management branch.

The summer school participants will have a networking opportunity, within they meet and have discussion with MS representatives who are paying attention to good quality professional talents. After the networking a case study lecture will be held with the MS representatives, which demonstrates the daily works at MS. Summer school participants are to be expected to prepare a country profile in connection to a case study. Key economic indicators and ratios are asked to be calculated and interpreted. Also, a qualitative evaluation is requested to be made.

**Lecturer: Morgan Stanley representatives, Professor Judit Sági**

#### 2. Virtual Currencies and Economic Crisis

In the framework of the lecture the students will gain some knowledge about on of the hottest topic of the financial world. What's the world's most important asset and currency? The dollar? The Euro? Gold? Bitcoin? They will discuss the evolution of the main asset classes and contemporary financial techniques and trends that will form the future of the financial markets.

**Guest Lecturer: Lajos Bartha (Magyar Nemzeti Bank (MNB) - Hungarian Central Bank)**

#### 3. New planning approach for product introduction: full lifecycle financial simulation

The objective for the students of the module is to get acquainted with a new planning method based on full lifecycle financial simulation in a company for launching a new product for the home and a foreign market.

Content of the module (3 hours classroom time and 10 hours individual assignment):

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3.1. Theoretical approach: market planning for both home and a foreign market, price-based sales forecasting, cost planning, full lifecycle net present value calculation. Classroom lecture provided by the educator.

3.2. Classroom teamwork: product sales planning for the Hungarian market: 5 teams times 5-6 persons/team individual assignment in the classroom based on the software provided by the educator.

3.3. Individual assignment: each student can submit a new product sales plan for his/her own country and for the Hungarian market as the foreign market (expected time: 10 hours).

**Lecturer: Professor László Kárpáti**

Assessment: oral/written exam.

### BUSINESS SIMULATION

#### **Course objectives and competences:**

This simulation is modelling the business decisions of a Central Eastern Europe market in a bicycle store through a year. On the one hand, the simulation focuses on the improvements of business decisions, and on the other hand, it offers the players an opportunity of cooperation, in which the improvements of teamwork, decision-making capacity and analytic skills are brought to the fore. The game is played among five groups, each team chooses a so-called store manager from its members. The store manager is responsible for the regional sales. There is more than one store in the area of operation.

The decisions are separated by the areas of management, so decisions about the sales, the supply, and the cost, resource and financial management cover the four years' period separately.

The values of assets and resources on the last day of the base period are shown in Manual, which will be handed over for students.

The evaluation of the teams' work is based on different objective functions related to each topic. Basically, decisions can be divided into two groups. On the one hand, the companies must make market decisions on the sales and purchase of goods, and on the other hand, they have to plan the costs related to the use of resources. These objective functions are detailed in the relevant sections.

During the simulation the teams compete with each-other by making decisions within a pre-specified timeframe. After the deadline, the game supervisor evaluates the decisions, and gives the results to the store managers. The further turns of the game are similar to the first one. One period equals to three months, i.e.: a quarter (of a year). The first turn of making decisions is the first quarter. For this, every team gets the data from the last quarter of the previous year as orientation.

**Coordinators: Professor Tamás Kozák and Professor László Kozár**

Assessment: team work/written exam.



## **COURSE REQUIREMENTS**

- 1.) Contact Period: Fulfilment of the specified contact hours according to the Syllabus, which will be based on the lecturers' evaluation. 0-2 ECTS can be got depends on the particular subject.
- 2.) Team Work Period: Active participation in group works; giving a solution for a complex corporate problem with a case study. 0-2 ECTS can be got depends on the particular subject.

### **SUCCESS 2 Programme ECTS credits**

<b>Courses</b>	<b>Success</b>	<b>Optional</b>	<b>Sum</b>
Regional Economic Policy	1	1	2
Geopolitics & International Trading Relations	1	1	2
Corporate Finance	1	1	2
Business Analyses & Digitalization	1	1	2
Business Simulation	2	0	2
<b>Total</b>	<b>6</b>	<b>4</b>	<b>10</b>

Max 6 ECTS can be obtained during summer program; 4 ECTS optional until 31<sup>st</sup> of October; based on individual/team work.

## **BIBLIOGRAPHY**

Lecture materials and the presented course materials are provided by the lecturers.

Suggested literature: shown at the beginning of the programme; depends on the particular subject and their lecturers' choice.

Participants will be provided with the most important materials from the above, which are necessary to complete the individual and team assignments.

**Budapest, 05.02.2018**

**Prof. László Kozár**

**Director of Strategic Projects**

**Budapest Business School**