

UNIVERSITY OF ECONOMICS - VARNA
FACULTY OF MANAGEMENT
DEPARTMENT OF MARKETING

Adopted by the FC (record №/ date):

Adopted by the DC (record №/ date):

ACCEPTED BY:

Dean:

(Assoc. Prof. Dobrin Dobrev, PhD)

SYLLABUS

SUBJECT: FINANCIAL INNOVATIONS

DEGREE PROGRAMME: INTERNATIONAL BUSINESS; BACHELOR'S DEGREE

YEAR OF STUDY: 2; SEMESTER: 4

TOTAL STUDENT WORKLOAD: 180 hours; incl. curricular 60 hours

CREDITS: 6

DISTRIBUTION OF STUDENT WORKLOAD ACCORDING TO THE CURRICULUM

<i>TYPE OF STUDY HOURS</i>	WORKLOAD, hours	TEACHING HOURS PER WEEK, hours
CURRICULAR, incl.:		
• LECTURES	30	2
• SEMINARS / LAB. EXERCISES	30	2
EXTRACURRICULAR	120	-

Prepared by:

1.
(Assoc. Prof. Nedyalko Valkanov, PhD)

2.
(Chief Assist. Prof. Atanas Kamelarov, PhD)

Agreed with the Head of department
of Finance:

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(Assoc. Prof. Stoyan Kirov, PhD)

I. ANNOTATION

In recent years financial sector undergoes a rapid change. Completely new providers of financial services and products, as well as distribution channels are emerging. In turn, traditional financial services and institutions are also affected by rapidly evolving external environment, resulting in technological, structural and process renewal. This lecture course could be considered as a continuation of the fundamental course "Introduction to Finance" and aims of the course is to form a basic understanding about emergence, nature and development of financial innovations, together with resulting consequences.

Proposed topics give knowledge about development and specifics of innovation processes in different fields of finance – banking, financial markets, insurance and corporate finance. Some of most recent trends in financial sector, concerning penetration of financial technology companies, the involvement of high-tech sphere, the regulatory challenges, as well as the financial estimation and risk profile of innovations are examined.

The discipline forms entrepreneurial digital and mathematical competencies. Knowledge and skills acquired during the course complete the required fundament for different specializing disciplines studied in following semesters.

II. THEMATIC CONTENT

No. по ред	TITLE OF UNIT AND SUBTOPICS	NUMBER OF HOURS		
		L	S	L.E.
THEME 1. INTRODUCTION IN PROBLEMATICS OF INNOVATIONS		4	4	
1.1.	The general concept of “innovation” phenomenon			
1.2.	Approaches for definition			
1.3.	Types of innovations			
1.4.	Development and classification of innovation in financial sphere			
1.5.	Short historic review			
1.6.	Classification possibilities			
THEME 2. FINANCIAL MARKETS INNOVATIONS		4	4	
2.1.	Product innovations (new types of financial assets)			
2.2.	Process innovations (new operational processes in finance)			
2.3.	Institutional innovations (new financial intermediaries and markets)			
2.4.	„Dark side” of financial innovations			
THEME 3. INNOVATIONS IN BANKING – FROM PRODUCT DISTRIBUTION TOWARDS SOCIAL COMMUNICATION		5	5	
3.1.	Mobile banking – monetary transactions in new context			
3.2.	Destiny of bank affiliates			
3.3.	Social Banking – „product” and „engine” of innovations			
3.4.	In search for optimal mix			
THEME 4. BANKS – BETWEEN COMPETITION AND PARTNERSHIP		4	4	
4.1.	The competitive potential of FinTechs and BigTechs			
4.2.	From competition towards partnership			
THEME 5. INSURANCE INNOVATIONS AND DIGITALIZATION		4	4	
5.1.	Specifics of insurance innovations			
5.2.	Product innovations in insurance			
5.3.	Digital distribution of insurances			
THEME 6. SEED AND START UP FINANCING		5	5	
6.1.	Own funds and funding from relatives and friends			
6.2.	Angel investors			

6.3.	Crowdfunding			
6.4.	Risk capital			
6.5.	Corporate risk capital			
6.6.	Venture leasing			
THEME 7. ALTERNATIVE FINANCIAL INSTITUTIONS AND SERVICES		4	4	
7.1.	The symbiosis of "finance and high technology"			
7.2.	Virtual Payment Systems			
7.3.	Platform Financial Decisions			
7.4.	DeFi and financial democratization			
Total:		30	30	

III. FORMS OF CONTROL:

№	TYPE AND FORM OF CONTROL	Number	extracurricular, hours
1.	Midterm control		
1.1.	Midterm test	1	15
1.2.	Practical case study	1	15
1.3.	Individual task for midterm control	1	15
Total midterm control:		3	45
2.	Final term control		
2.1.	Examination (test)	1	75
Total final term control:		1	75
Total for all types of control:		4	120

IV. LITERATURE

REQUIRED (BASIC) LITERATURE:

1. Reyes-Mercado, P. (2021). FinTech Strategy: Linking Entrepreneurship, Finance, and Technology (Palgrave Studies in Democracy, Innovation, and Entrepreneurship for Growth). Palgrave Macmillan.

RECOMMENDED (ADDITIONAL) LITERATURE:

1. Basly, S. (2024). Decentralized Finance: The Impact of Blockchain-Based Financial Innovations on Entrepreneurship (Financial Innovation and Technology). Springer.
2. Chishti, S., T. Craddock, R. Courtneidge, M. Zachariadis (2020). The PAYTECH Book: The Payment Technology Handbook for Investors, Entrepreneurs, and FinTech Visionaries 1st Edition. Wiley.
3. Kaplan, S. (2017). The Invisible Advantage: How to Create a Culture of Innovation, Greenleaf Book Group Press.
4. King, B. (2018). Bank 4.0: Banking Everywhere, Never at a Bank 1st Edition. Wiley.
5. Leach, C., R. Melicher. (2020). Entrepreneurial Finance. 7th ed., Cengage Learning
6. Nicoletti, B. (2016). Digital Insurance: Business Innovation in the Post-Crisis Era. Palgrave Macmillan, UK.
7. Skinner, Ch. (2022). Digital For Good: Stand for something... or you will fall. Marshall Cavendish Business.

8. Vachkov, St., N. Valkanov (2021). Regulation, Competition and Partnership in the Financial Sector. *Izvestiya. Journal of Varna University of Economics*, No 3, Vol. 65, pp. 259-276.
9. Vachkov, St., N. Valkanov (2021). Some Aspects of Regulatory Optimizations in the Financial Sector. *Economics and management*, Vol. 18, Issue 1, pp. 1-18.
10. Valkanov, N. (2022). Alternative Finance in the New Digital World - Some Regulatory Challenges. *Izvestia Journal of the Union of Scientists - Varna. Economic Sciences Series*, No 2, Vol. 11, pp. 29-38.