

MANAGEMENT OF FINANCIAL INSTITUTIONS...# 3079

Georgia Tech Scheller College of Business

FALL SEMESTER - 2025

**Tuesday and Thursday - 3:30 - 4:45 pm
College of Management Building...Room 202**

Professor Gary T. Jones

Professor of the Practice of Finance

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AN INTRODUCTION TO FINANCIAL MARKETS AND INSTITUTIONS is intended as an introductory course in financial markets and institutions.

The course will consist of a blend of cases, text material, and general class discussions focusing on the role and operation of financial institutions and markets in the national and international economies to include investments banks and securities firms, commercial banks, finance companies, mutual funds, insurance companies, asset and money management firms, hedge funds, private banks, private equity firms and other financial institutions.

The course offers the opportunity to develop a better understanding of the Central Bank of the U.S. – the Federal Reserve System; management of several different financial institutions; equity and fixed income capital markets; the Money Management Industry; commercial banks; asset allocation concepts & models; and investment strategies designed to take advantage of market efficiency.

Method of instruction is a combination of the case method which insists on a highly interactive environment of classroom participation; a heavy emphasis on current financial news incorporating timely market news into the classroom; and a series of guest speakers / lecturers representing star practitioners & resident experts in their respective fields. Through these guest lectures, this course offers an opportunity to delve into all aspects of the capital markets and receive a " Learn - at- the - Knee of the Master " understanding of how these markets operate.

Class will be organized into several study groups / learning teams to facilitate the most effective and responsive format for interactive discussion. There will be 8 Learning Teams of 5- 6 students each. Students will be expected to be prepared every day and will be responsible for providing peer assessment of the members of their groups during the semester. Those students who choose not to fully contribute will not achieve participation points.

This course will continually draw from current events, so timely preparation is a must. This will also be an extremely interactive course environment as far as involvement and participation, as students will be routinely drawn into constructive dialogue and commentary. A high priority will be placed on public speaking; personal awareness and comfort; professional carriage in the classroom and the workplace; executive presence; self-confidence; the power of eye contact; etc.

GRADES

Based on weekly group assignments to include: selection and tracking of a specific public company in an assigned industry space with a power point presentation by all learning teams ; several case write ups and discussions on factors relevant to the market; personal profile presentations; COLD CALLS ; attendance, participation in class discussion, performance on team projects, peer review for presentations and participation in team projects; several spur of the moment BRAIN DRAINS; several POP QUIZZES ; and an IN CLASS FINAL EXAM .

HONOR CODE AND ACADEMIC HONESTY

We will adhere to the Georgia Tech honor code and the student handbook. Team projects should be the result of personal and group work, with the case presentations delivered by one or more members of the cohort. All of the other requirements are to be certified as individual contributions. All legitimate sources of information can be used in preparation of the projects, cases, exercises, and final examinations. Paraphrasing with appropriate citations of the sources is an appropriate way to avoid plagiarism. The submission of your work and final examination will be taken as your acceptance of the terms of the HONOR CODE.

<http://www.catalog.gatech.edu/rules/18b.php>

This course fully supports accommodations for students needing any additional services: disabilityservices.gatech.edu

READING MATERIALS

Students are expected to follow current developments in banking and finance by reading the Wall Street Journal, New York Times, and other relevant financial dailies.....all found on line. This course will continually draw from current events. This will be an extremely interactive course as far as involvement and participation as students will be regularly challenged and routinely drawn into constructive dialogue and commentary. Other sources on current financial events are:

~ The Economist (London)

~ Barrons

~ The Financial Times

Copies of recent articles, reports, cases, notes ,etc., will be distributed frequently for class discussion. You will be expected to be prepared for class discussion. References will also be given for particularly relevant web-sites.

Students will be asked to provide the instructor with e-mail addresses that will be used for communications. Students are expected to check their e-mail boxes regularly. Review sessions will be scheduled as needed. Attendance is essential.

CURRENT LIST OF SCHEDULED SPEAKERS

~ DENNIS LOCKHART – FORMER PRES/ CEO – ATLANTA FEDERAL RESERVE

~ PAUL BROWN.....PRESIDENT & CEO.... INSPIRE BRANDS

~ TOMMY HOLDER.... CHAIRMAN / CEO – HOLDER CONTRUCTION

~ JOHN RHETT....CHAIRMAN – SUNTRUST INVESTMENT SERVICES - (retired)

~ MICHELLE JARRARD.... CEO – BIOCIRCUIT TECHNOLOGIES:

FORMER SENIOR PARTNERMCKINSEY & CO.

~ KELLY BARRETT – FORMER SVP....HOME DEPOT

~ MADELINE FRYE – SENIOR ASSOCIATE – ROARK CAPITAL

~ THOMAS E. NOONAN.....CHAIR, PRES & CEO – TENHOLDINGS

~ DR. PAT BATTEY.....PRES & CEO – PIEDMONT HOSPITAL; HEAD OF

VASCULAR SURGERY

~ JOSH ROBERTS.... CHIEF OPERATING OFFICER – PIEDMONT HOSPITAL

TENTATIVE OUTLINE & SCHEDULE

AUG 19

Introduction & Overview - Financial Markets

- * Getting to know the Instructor
- * Getting to know the Students
- * Assign Learning Teams
- * Rules of Engagement
- * Cold Call Chronicle
- * DON'T FORGET THE TAKEAWAYS

AUG 21

Overview of Financial institutions

- * Financial Markets & Flow of Funds
- * Money Markets vs Capital Markets
- * Primary Markets vs Secondary Markets
- * Types of Financial Institutions
- * Risks & Challenges

TAKE AWAYS – OVERVIEW

AUG 26

FEDERAL RESERVE BANK

- * DUAL MANDATE
- * FED FUNDS RATE
- * DISCOUNT RATE
- * QUANTITATIVE EASING
- * LARGE SCALE ASSET PURCHASES
- * TIGHTENING OF INTEREST RATES
- * UNWINDING THE BALANCE SHEET

AUG 28

The Federal Reserve System

- * Major Duties and Responsibilities of Fed
- * Structure of the Federal Reserve System
- * Monetary Policy Tools
- * Money Supply and Interest Rates
- * International Monetary Policy

TAKE AWAYSTHE FED.....

GUEST SPEAKER

DENNIS LOCKHART
FORMER PRESIDENT & CEO
FEDERAL RESERVE BANK OF ATLANTA

SEPT 2

REVIEW OF THE FED

- Impact of Lower Interest Rates
- Why Do rate Cuts Work
- Quantitative Easing
- Fiscal vs Monetary
- Economic Indicators

Determinants of Interest Rates

- * Interest Rate Fundamentals
- * Time Value of Money and Interest Rate
- * Movement of Interest Rates Over Time
- * Determinants of Interest Rates for Securities
- * Yield Curve
- * Term Structure of Interest Rates
- * Forecasting Interest Rates

SEPT 4

SECURITIES MARKETS

- * Money Markets
- * Definition of Money Markets
- * Money Market Securities
- * Money Market Participants
- * International Aspects of Money

TAKE AWAYS – MONEY MARKETS / BOND MARKETS

BOND MARKETS
RATINGS AND PARTICIPANTS
CORPORATE BONDS
TREASURY NOTES AND BONDS

SEPT 9

CREDIT MARKETS

BILLS, NOTES, BONDS
GOLD STANDARD
PRESERVATION OF CAPITAL
FLIGHT TO QUALITY

SEPT 11

SUCCESSFUL GT WOMEN IN BUSINESS

PANEL DISCUSSION WITH THREE HIGHLY SUCCESSFUL WOMEN WITH DEGREES FROM GEORGIA TECH.....

MICHELLE JARRARD.....CEO – BIOCIRCUIT TECHNOLOGIES
KELLY BARRETTFORMER SVP – HOME DEPOT
MADELINE FRYE....SENIOR ASSOCIATE – ROARK CAPITAL

SEPT 16

UNDERVALUED STOCKS.....

LEARNING TEAM PRESENTATIONS ON WHAT PUBLIC STOCK IS MOST UNDER VALUED....

SEPT 18

ACRONYMS & ABBREVIATIONS

WHY ARE THERE SO MANY INITIALS IN THE FINANCIAL MARKETS.....WASSSSUP WITH THAT ?

SEPT 23

Stock Markets

- * Primary Markets
- * Secondary Markets
- * Stock Market Participants
- * Stock Market Indices
- * Exchanges and Market Regulations
- * Ratios and Evaluators to Measure

TAKE AWAYSEQUITIES

SEPT 25

Securities Firms and Investment Banks

- * Historical Perspective
- * Size, Structure, and Composition of Industry
- * Regulation & Regulatory Environment
- * Changes over the Years
- * Evolution of the Securities Industry
- * What Makes it All Tick

GUEST SPEAKER

Mr. John Rhett.....Chairman (retired)
SunTrust Investment Services

SEPT 30

MARKET UPDATES

- * MARKET CAP.....WHAT'S A CAP
- * WHY DOES IT MATTER.....WHO CARES
- * CYCLICAL VS NON - CYCLICAL
- * DURABLE VS NON - DURABLE
- * GROWTH VS VALUE
- * FUNDAMENTAL VS TECHNICAL

OCT 2

GUEST SPEAKER.....

ETHICAL DILEMMAS IN ARTIFICIAL INTELLIGENCE
IS THERE A ROLE FOR ETHICS IN
ARTIFICIAL INTELLIGENCE ?

OCT 7 FALL BREAK.....CLASS RECESS

OCT 9

GUEST SPEAKERS.....

DR. PAT BATTEY....PRES & CEO – PIEDMONT
HOSPITAL

JOSH ROBERTSCHIEF OPERATING OFFICER
PIEDMONT HOSPITAL

“ CHALLENGES IN MANAGING A MAJOR
HOSPITAL IN A MAJOR CITY”

OCT 14

FACTORS THAT IMPACT EQUITY VALUATIONS

- * Industry Profile & Overview
- * How to Value a company
- * Passive vs Active Management
- * Management Effectiveness
- * Growth vs Value
- * P/E, EBITDA , CAP EX, DIVIDENDS , etc
- * Other Metrics

How to Value a Company.....What to Look for in a company

- * What are the appropriate metrics
- * When is a Company Over-Valued - Rich....Too Highly Priced
- When is a Company Under-Valued.....Too Cheap

OCT 16 GUEST SPEAKER.....

WHAT'S A UNICORN ?

THOMAS E. NOONAN
CHAIRMAN, PRES & CEO – TEN HOLDINGS
PRIVATE EQUITY

OCT 21, 23, 28 NOV 4

LEARNING TEAMS CASE PRESENTATIONS

This section of the course offers an opportunity to delve into the equities markets and will provide an introduction to security valuation and portfolio design. We will focus on a variety of common stocks within several different industry groups and examine how to determine their value, their risk, and their performance.

Presentations will be made by each of the learning teams on an assigned industry sector.....e.g. oils, retailers, brokerage firms, banks and financial institutions, media, pharmaceuticals, fast food restaurants , etc. Within that industry sector, the learning teams will review several companies and identify the best investment opportunity from each sector and WHY?

All learning teams are encouraged to use power point.....and to include each member of the learning team IN THE PREPARATION.....and 4 team members in the presentation. Each learning team will have approximately 20 minutes for their presentation.....followed by constructive and provocative discussion from the entire class. This section will cover 4 class periods.

OCT 30 GUEST SPEAKER.....

THOMAS M. HOLDER.....CHAIRMAN

HOLDER CONSTRUCTION

LEADERSHIP MAKES A DIFFERENCE

NOV 6 REVIEW - CASES

NOV 11 HARVARD BUSINESS SCHOOL CASE

GROWTH IN INDIA
STUDY DONE W/ BOSTON CONSULTING GROUP

NOV 13 WHO IN THE WORLD WOULD BUY ARBY'S.....
DUNKIN' DONUTS.....SONIC.....JIMMY JOHN'S.....

BUFFALO WILD WINGS.....BASKIN - ROBBINS.....

AND WHY?

GUEST SPEAKER.....

PAUL BROWN.....
PRES & CEO – INSPIRE BRANDS

NOV 18

MUTUAL FUNDS

- ETF'S
- NAV
- Q I B 'S
- PROPRIETARY TRADING
- LOAD VS NO LOAD
- LIPPER & MORNINGSTAR
- ALTERNATIVE ASSETS

NOV 20

MORTGAGE MARKETS

- *MORTGAGE CHARACTERISTICS
- *ASSET-BACKED SECURITIES
- *SUB-PRIME LENDING
- *FICO SCORES
- *TEASERS, BALLOONS, ARMS
- *THE BIG CHILL

NOV 25

FINAL REVIEW FOR FINAL EXAM

NOV 27

THANKSGIVING BREAK

DECEMBER 2..... FINAL DAY OF CLASS..... FINAL REVIEW

..... FINALS BEGIN THURSDAY 12/04.