



## FIN204 MICROFINANCE T322 Brief

All information in the Subject Outline is correct at the time of approval. KOI reserves the right to make changes to the Subject Outline if they become necessary. Any changes require the approval of the KOI Academic Board and will be formally advised to those students who may be affected by email and via Moodle.

Information contained within this Subject Outline applies to students enrolled in the trimester as indicated

### 1. General Information

#### 1.1 Administrative Details

Associated HE Award(s)	Duration	Level	Subject Coordinator
B Bus (Accg.); B Bus (Mgmt. & Finance)	1 trimester	Level 2	Ruhina Karim <a href="mailto:ruhina.karim@koi.edu.au">ruhina.karim@koi.edu.au</a> P: +61 (2) 9283 3583 L: Level 1, 545 Kent St. Consultation: via Moodle or by appointment.

#### 1.2 Core / Elective

This is an elective subject for B Bus (Mgmt. & Finance) and for B Bus (Acct.).

#### 1.3 Subject Weighting

Indicated below is the weighting of this subject and the total course points.

Subject Credit Points	Total Course Credit Points
4	BBus (Accg.) 96      BBus (Mgmt. & Finance) 96

#### 1.4 Student Workload

Indicated below is the expected student workload per week for this subject

No. timetabled hours/week*	No. personal study hours/week**	Total workload hours/week***
4 hours/week (2 hours Lecture + 2 hours Tutorial)	6 hours/week	10 hours/week

\* Total time spent per week at lectures and tutorials.

\*\* Total time students are expected to spend per week in studying, completing assignments, etc.

\*\*\* Combination of timetable hours and personal study.

#### 1.5 Mode of Delivery Face-to-face unless otherwise notified (please check Moodle).

#### 1.6 Pre-requisites ACC100 Introduction to Accounting and FIN200 Corporate Financial Management

#### 1.7 General Study and Resource Requirements

- Students are expected to attend classes with the weekly worksheets and subject support material provided in Moodle. Students should read this material before coming to class to improve their ability to participate in the weekly activities.
- Students will require access to the internet and their KOI email and should have basic skills in word processing software such as MS Word, spreadsheet software such as MS Excel and visual presentation software such as MS PowerPoint.
- Computers and WIFI facilities are extensively available for student use throughout KOI. Students are encouraged to make use of the campus Library for reference materials.

*Resource requirements specific to this subject:* Students should have a non-programmable calculator. Applications in smart phones will not be sufficient to perform the required calculations.

## 2 Academic Details









### 2.1 Overview of the Subject

Microfinance is a relatively new approach in the finance industry, delivering a range of varied financial services to poor and socially marginalised people, particularly women, who are not able to obtain financial services from – or are generally ignored by – traditional financial institutions. This subject is an introduction to microfinance. It examines the origins, motivations, operations, services, impacts, major risks and government interventions relating to what is now a major industry across many countries, helping many millions of people to become self-sufficient. It provides insights into this expanding area as well as case studies to illustrate its impacts, benefits and limitations.

### 2.2 Graduate Attributes for Undergraduate Courses

Graduates of the *Bachelor of Business (Accounting)*, and the *Bachelor of Business (Management and Finance)* courses from King's Own Institute will achieve the graduate attributes expected from successful completion of a Bachelor's degree under the Australian Qualifications Framework (2<sup>nd</sup> edition, January 2013). Graduates at this level will be able to apply an advanced body of knowledge from their major area of study in a range of contexts for professional practice or scholarship and as a pathway for further learning.

King's Own Institute's generic graduate attributes for a bachelor's level degree are summarised below:

	<b>KOI Bachelor Degree Graduate Attributes</b>	<b>Detailed Description</b>
	Knowledge	Current, comprehensive and coherent knowledge
	Critical Thinking	Critical thinking and creative skills to analyse and synthesise information and evaluate new problems
	Communication	Communication skills for effective reading, writing, listening and presenting in varied modes and contexts and for transferring knowledge and skills to a variety of audiences
	Information Literacy	Information and technological skills for accessing, evaluating, managing and using information professionally
	Problem Solving Skills	Skills to apply logical and creative thinking to solve problems and evaluate solutions
	Ethical and Cultural Sensitivity	Appreciation of ethical principles, cultural sensitivity and social responsibility, both personally and professionally
	Teamwork	Leadership and teamwork skills to collaborate, inspire colleagues and manage responsibly with positive results
	Professional Skills	Professional skills to exercise judgement in planning, problem solving and decision making




























Across the course, these skills are developed progressively at three levels:

- **Level 1 Foundation** – Students learn the basic skills, theories and techniques of the subject and apply them in basic, stand-alone contexts.
- **Level 2 Intermediate** – Students further develop skills, theories and techniques of the subject and apply them in more complex contexts, beginning to integrate the application with other subjects.
- **Level 3 Advanced** – Students have a demonstrated ability to plan, research and apply the skills, theories and techniques of the subject in complex situations, integrating the subject content with a range of other subject disciplines within the context of the course.

### 2.3 Subject Learning Outcomes

This is a Level 2 subject.

Listed below, are key knowledge and skills students are expected to attain by successfully completing this subject:

Subject Learning Outcomes	Contribution to Graduate Attributes
a) Describe the history and development of microfinance, the various types of microfinance services and their goals, the current scale of operations and the regulatory framework governing the industry.	   
b) Identify the key users of microfinance services, with emphasis on the high female participation, the micro-entrepreneurs, group lending activities and lending methodologies.	  
c) Outline the various types of microfinance institutions, their management and the work-force employed, their lending activities, and the subsidies and other assistance granted.	   
d) Analyse the benefits, achievements and other impacts of microfinance and its institutions, along with the criticisms, limitations and shortcomings of the industry.	     
e) Discuss the sources of finance for the industry, the profitability of microfinance institutions and the scope for direct and portfolio investment in the organisations.	   
f) Assess the global economic and social performance of microfinance institutions, along with loan pricing and sustainability, and examine the future prospects of the industry.	     

## 2.4 Subject Content and Structure

Below are details of the subject content and how it is structured, including specific topics covered in lectures and tutorials. Reading refers to the text unless otherwise indicated.

Tutorial exercises comprise questions on that day's topic along with a range of multiple-choice questions.

*Weekly Planner:*

Week (beginning)	Topic covered in each week's Class	Reading(s)	Expected work as listed in Moodle
1 31 Oct	1. Introduction to microfinance	Chapters 1 & 2	Tutorial exercises
2 07 Nov	2. Microfinance value chain	Chapter 3	Tutorial exercises Quiz 1 due
3 14 Nov	3. Micro Entrepreneurs	Chapter 4	Tutorial exercises Quiz 2 due
4	4. Microfinance Institutions	Chapter 5	Tutorial exercises Quiz 3 due <b>Formative Assignment due</b>



21 Nov			
5 28 Nov	5. Lending in Microfinance	Chapter 6	Tutorial exercises Quiz 4 due
6 05 Dec	Revision		<b>Mid trimester exams</b> Introduction to Individual Assignment
7 12 Dec	6. Microloan pricing	Chapter 7	Tutorial exercises Quiz 5 due
8 03 Jan (Tue)	7. Microfinance and social performance	Chapter 8	Tutorial exercises Quiz 6 due
9 09 Jan	8. Criticism and weaknesses of Microfinance	Chapter 9	Tutorial exercises Quiz 7 due
10 16 Jan	9. Investing in Microfinance	Chapter 10	Tutorial exercises Quiz 8 due <b>Individual assignment due</b>
11 23 Jan	10. Future outlook for Microfinance	Chapters 11 & 12	Tutorial exercises Quiz 9 due
12 30 Jan	Revision		Tutorial exercises Quiz 10 due
13 06 Feb	Study Review Week		
14 13 Feb	Final Exam Week Continuing students - enrolments for T322 open	Please see Exam Timetable for exam date, time and location	
15 20 Feb	Student Vacation begins New students - enrolments for T322 open		
16 27 Feb	Results Released 21 Oct 2022 Certification of Grades 28 Oct 2022		
T123 6 Mar 2023			
1 06 Mar	Week 1 of classes for T123		

## 2.5 Teaching Methods/Strategies

Briefly described below are the teaching methods/strategies used in this subject:

- *Lectures* (2 hours/week) are conducted in seminar style and address the subject content, provide motivation and context and draw on the students' experience and preparatory reading.
- *Tutorials* (2 hours/week) include class discussion of case studies and research papers, practice sets and problem-solving and syndicate work on group projects. Tutorials often include group exercises and so contribute to the development of teamwork skills and cultural understanding. Tutorial participation is an essential component of the subject and contributes to the development of many of the graduate attributes (see section 2.2 above). Tutorial participation contributes towards the assessment in many subjects (see details in Section 3.1 for this subject). Supplementary tutorial material such as case studies, recommended readings, review questions etc. will be made available each week in Moodle.

- *Online* teaching resources include class materials, readings, model answers to assignments and exercises and discussion boards. All online materials for this subject as provided by KOI will be found in the Moodle page for this subject. Students should access Moodle regularly as material may be updated at any time during the trimester
- *Other contact* - academic staff may also contact students either via Moodle messaging, or via email to the email address provided to KOI on enrolment.

## 2.6 Student Assessment

Provided below is a schedule of formal assessment tasks and major examinations for the subject.

Assessment Type	When Assessed	Weighting	Learning Outcomes Assessed
Formative assessment	Week 4	0%	a, b
Assessment 1: Mid-trimester Exam (1 hour)	Week 6	20%	a, b, c
Assessment 2: Research project – individual assessment – <b>(2,000 +/- 10%) words</b> essay / report	Week 6 Topic discussed Week 10: Essay / report due	30%	a, b, c, d, e, f
Assessment 3: Final examination On-campus: 2 hours + 10 mins reading time Online: 2 hours + 30 mins technology allowance	Final exam period	50%	a, b, c, d, e, f

### Requirements to Pass the Subject:

To gain a pass or better in this subject, students must gain a *minimum of 50%* of the total available subject marks.

## 2.7 Prescribed and Recommended Readings

Provided below, in formal reference format, is a list of the prescribed and recommended readings.

### **Prescribed Text:**

Fanconi, P. A. and Scheurle, P. 2017. *Small Money, Big Impact: Fighting Poverty with Microfinance*. Wiley. Available from: ProQuest Ebook Central. [6 May 2021].

### **Recommended Reading:**

Armendariz, B. and Morduch, J. 2010. *The Economics of Microfinance*, 2nd edition, The MIT Press, Cambridge, Mass. USA. Available from: ProQuest Ebook Central. [6 May 2021].

Berger, A. N. et al. 2019. *The Oxford Handbook of Banking*. 3rd edition. Oxford.

Guerin, I. et al (eds). 2018. *Microfinance, Debt and Over-Indebtedness: Juggling with Money*. Routledge.

Hudon, M., Labie, M. and Szafarz, A., 2019. *A Research Agenda for Financial Inclusion and Microfinance*,

Edward Elgar, Northampton. USA.

Lensink, R., Mersland, R., Vu, N. T. H. and Zamore, S. 2018. Do Microfinance Institutions Benefit from Integrating Financial and Nonfinancial Services? *Journal Applied Economics*, Vol. 50, pp. 2386-2401. [EBSCO]

Zheng, C. and Zhang, J., 2020. The Impact of COVID-19 on the Efficiency of Microfinance Institutions. *International Review of Economics & Finance*, Vol. 71, pp. 407-423.

Additional prescribed reading will be advised via MOODLE.

**Recommended References:**

- Arabian Journal of Business and Management Review.
- Australian Financial Review <https://www.afr.com/> ..
- ESR Review (originally Journal of Finance), Brigham Young University, Vol. 10, Issue 2, 2008.
- International Journal of Micro Finance, Pondicherry University, Vol. 1, No. 1, January to June, 2011.
- Journal of Banking and Finance
- Journal of Business and Financial Affairs.
- Journal of Entrepreneurial Finance and Business Ventures.
- Journal of International Development.
- Journal of International Financial Markets, Institutions & Money.
- Journal of Financial Research.

**Useful Websites:**

The following websites are useful sources covering a range of information useful for this and related subjects. However, most are not considered to be sources of Academic Peer Reviewed theory and research.

If your assessments require academic peer reviewed journal articles as sources, you need to access such sources using the Library database, Ebscohost, or Google Scholar. Please ask in the Library if you are unsure how to access Ebscohost. Instructions can also be found in Moodle.

- Australian Centre for Financial Studies <http://www.australiancentre.com.au/>
- Australian Prudential Regulation Authority (APRA) <http://www.apra.gov.au/Pages/default.aspx>
- KPMG Financial Institutions Performance Survey webpage  
<http://www.kpmg.com/au/en/issuesandinsights/articlespublications/financial-institutions-performance-survey/pages/default.aspx>
- Reserve Bank Australia – Financial Stability page <http://www.rba.gov.au/fin-stability/about.html>
- Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry  
<https://financialservices.royalcommission.gov.au/Pages/default.aspx>