



## Subject Outline

# **FIN204 Applied Risk Management in Financial Services**



## Section 1 — General information

### 1.1 Administrative details

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Duration	Credit points	Level
One study period (12 weeks)	6	AQF8

### 1.2 Core or elective subject

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This is an elective subject for the Graduate Certificate in Applied Finance, Graduate Diploma of Applied Finance, Master of Applied Finance, Graduate Certificate in Financial Services, Graduate Diploma of Financial Services and Master of Financial Services.

### 1.3 Delivery mode

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This subject is delivered online.

### 1.4 Assumed knowledge

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Whilst there are no prerequisites for this subject, Kaplan assumes that students have completed FIN201 Quantitative Applications in Finance or understand the content covered in this subject, prior to undertaking FIN204 Applied Risk Management in Financial Services.

### 1.5 Course transition subject equivalence

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Students may not be required to complete this subject if they have transitioned from a SIA/Finsia/Kaplan course and have completed the following subjects:

- FIN204 – Fundamentals of Risk
- FIN204 – Fundamentals of Financial Risk

### 1.6 Work integrated learning

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There are no placements, internships or work experience requirements associated with undertaking this subject.

### 1.7 Other resource requirements

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Students do not require access to specialist facilities and/or equipment to undertake this subject.



## Section 2 — Academic details

### 2.1 Subject overview

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This subject provides an applied study of risk management within financial services organisations, with a focus on both financial and non-financial risks. Students examine key risk types including market, credit, liquidity, operational, compliance, and conduct risks. Using real-world case studies, they apply recognised models and frameworks to measure and manage risks across diverse contexts and analyse how risk management process failures contribute to crises and financial loss. Ethical, regulatory, and governance considerations are integrated throughout the subject to develop sound decision-making and understanding of effective risk culture. The subject builds skills in anticipating emerging risks and implementing responsible risk management strategies within the financial services sector.

### 2.2 Subject learning outcomes

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On successful completion of this subject, students should be able to:

1. Examine the characteristics of financial and non-financial risks and their implications for organisations and markets.
2. Apply models and frameworks to the measurement and management of diverse financial and non-financial risks.
3. Analyse the risk management process to determine how its failure can contribute to financial crises and emerging risks.
4. Evaluate ethical, regulatory, and governance considerations into risk management practices.

### 2.3 Topic learning outcomes

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#### Topic 1: Foundations of financial and non-financial risk

On successful completion of this topic, students should be able to:

- explain the importance of risk management to organisations and markets
- examine the characteristics of financial and non-financial risk
- analyse the processes for measuring, monitoring and managing risks
- evaluate the connection between risk, regulation, corporate governance and ethics.

#### Topic 2: Ethics, culture and conduct in risk governance

On successful completion of this topic, students should be able to:

- analyse the key features of compliance and legal risk to a financial organisation
- outline the nature and importance of conduct and reputational risk
- evaluate how ethics, organisational culture and behaviour shape compliance and governance outcomes within the finance industry
- analyse the processes for measuring, monitoring and management of compliance and conduct risks
- explain the need for integration of compliance and conduct risk management into business practices.

### Topic 3: Market and interest rate risk

On successful completion of this topic, students should be able to:

- describe the nature and drivers of market and interest rate risks
- apply analytical tools to assess exposures across asset classes and interest rate scenarios
- interpret portfolio impacts from changes in market and interest rate conditions
- discuss the common tools utilised by practitioners in evaluating market risk exposures.

### Topic 4: Credit and counterparty risk

On successful completion of this topic, students should be able to:

- describe the nature of credit and counterparty risk and their management
- explain credit risk in relation to the monetary and banking system
- apply methods to assess credit quality and counterparty exposure
- critically assess the role and limitations of rating agencies and credit scoring models.

### Topic 5: Liquidity risk and systemic interconnections

On successful completion of this topic, students should be able to:

- differentiate between funding liquidity risk and market liquidity risk
- explain the interconnections between liquidity, market, and credit risks
- apply stress testing approaches to evaluate liquidity resilience
- evaluate the organisational and systemic implications of liquidity risk
- outline how corporate cashflow and risk-transfer mechanisms influence funding, liquidity, and market exposures in financial organisations.

### Topic 6: Operational and non-financial risks

On successful completion of this topic, students should be able to:

- explain the role of the operational risk function within a financial organisation
- apply tools and indicators to manage operational and emerging non-financial risks such as cyber, ESG, and reputational risks.
- analyse how organisational culture and behaviour influence operational and non-financial risks
- evaluate strategies for embedding lessons learned into organisational risk culture and governance practices.

### Topic 7: Lessons from financial disasters and scandals

On successful completion of this topic, students should be able to:

- discuss prominent cases of financial disasters caused by misleading reporting, market events, and misconduct
- interpret lessons from historical and contemporary events to anticipate emerging risks
- analyse the consequences of operational risk failures
- evaluate the regulatory and governance responses to financial scandals.

## Topic 8: Scenario analysis and stress testing for emerging risks

On successful completion of this topic, students should be able to:

- apply scenario analysis and stress testing techniques to emerging risks such as climate, cyber, and geopolitical shocks
- interpret scenario outcomes to assess organisational resilience
- evaluate the use of scenario insights by boards, regulators, and risk managers
- explain how technologies are applied in professional practice to conduct scenario analysis and stress testing

## Topic 9: Integrating frameworks, governance and risk appetite

On successful completion of this topic, students should be able to:

- apply the three lines of defense model to risk governance
- evaluate the role of boards and executives in setting and monitoring risk appetite
- assess how governance frameworks embed ethics, compliance, and culture into risk management
- outline how technologies and data systems support integrated risk reporting and governance in financial organisations.

## 2.4 Assessment schedule

Assessment	Description	Week	Topics	Weighting	Subject learning outcomes assessed
Quiz	Three (3) multiple-choice quizzes.	Weeks 4, 7, 10	All topics	25%	LO1 – LO4
Assignment	Scenario-based short answer.	Week 8	3–6	35%	LO1 - LO3
Presentation and written assignment	Case study-based recorded video presentation supported by a written report.	Week 12	7–9	40%	LO2–LO4

Please refer to our website <[www.kaplanprofessional.edu.au](http://www.kaplanprofessional.edu.au)> to review student policies relating to your assessment, including the *Kaplan Assessment Policy* and *Academic Integrity and Conduct Policy*.

## 2.5 Prescribed text

There is no prescribed text for this subject. Students are provided with key readings and access to Kaplan’s online databases. Students are encouraged to research and read widely on the topic.

## 2.6 Study plan

Week(s)	Topic name	Study load in hours
1	Topic 1: Foundations of financial and non-financial risk	10
2	Topic 2: Ethics, culture and conduct in risk governance	10
3	Topic 3: Market and interest rate risk	10
4	Topic 4: Credit risk and counterparty risk <b>Quiz 1 (5%)</b>	10
5	Topic 5: Liquidity risk and systemic interconnections	10
6	Topic 6: Operational risk and non-financial risks	10
7	Complete Quiz Topic 7: Lessons from financial disasters and scandals <b>Quiz 2 (10%)</b>	10
8	Complete Assignment 1 <b>Assignment 1 (Weighting 35%)</b>	10
9	Topic 8: Scenario analysis and stress testing for emerging risks	10
10	Complete Quiz Topic 9: Integrating risk management frameworks and governance practices <b>Quiz 3 (10%)</b>	10
11	Work on Assignment 2	10
12	Complete Assignment 2 <b>Assignment 2 (Weighting 40%)</b>	10
<b>Total minimum study load</b>		<b>120 hours</b>

Additional study hours (if required), dependent on knowledge and personal commitments	60 hours
<b>Total study load, including additional study hours</b>	<b>180 hours</b>