



## Vision and Mission

Finance deals with the various forms of financing and investment decisions. In this regard, the forms of financing are analyzed from a cost of capital-oriented perspective. Here, cost of capital corresponds to the investors' required rate of return depending on the specific risk level. The required rates of return are derived from alternative investment opportunities on the capital market (such as shares for equity, bonds for debt, and derivatives for mezzanine capital). Therefore, finance combines analytical management techniques with capital market theory.

The applied calculus requires knowledge in decision theory, so that the scientific work of the department is integrated with the main research focus Decision Design of the Faculty of Economics and Management. Research and teaching at the Chair in Banking and Finance is both theory-based and decision-oriented. This enables our students to obtain high generality in finance education and, at the same time, satisfies international requirements on our alumni. Here, specialization in terms of sophisticated knowledge of financial tools and general economic understanding are important. This - combined with the lectures held in English in the master's program - supports our students in entering the professional world as well as in their future careers.

Moreover, our education gives an opportunity to enter a research career. Research at the department is characterized by a high theoretical level as well as economic relevance. Due to theoretical results on the one hand and empirical tests on the other, we are able to develop theoretical results with practical relevance in the research fields of risk management, performance and valuation. In sum, the Chair in Banking and Finance assesses itself regarding its publication activities, the international level of offered lectures, and the career entry opportunities of our alumni.