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|--|---------------------------|---------------------|---------|
| Department: Business Administration | | Program: MBA | |
| Course Name | Financial Management - II | Course Code | FIN 613 |
| Pre-requisite | Not Applicable | Credit Hours | 3 |

Brief Description

- Financial Management II is an advanced level course. Topics covered in this course include corporate governance evaluation and valuation implications, financial statement analysis and financial planning, capital budgeting and projection evaluation, cost of capital, identifying and valuing options, working capital and short-term asset management, short-term and medium-term financing, long-term financing, operating and financial leverage, capital structure determination theories, dividend policy and mergers and acquisitions.

Course Objectives

After completion of this course the student will be able to:

- Discuss corporate finance theories and models.
- Apply financial tools and models to solve financial issues and problems facing corporate firms.
- Demonstrate competence in financial analyses and analytical results.
- Demonstrate analytical and critical thinking skills in the application and solution of financial models and problems.
- Discuss the different terms of financing and their application.
- Describe capital structure theory and application.
- Describe how to consider shareholders in corporate financial planning and decisions.

Course Learning Outcomes

- Distinguish between concepts, principles, and theories of Financial Management
- Apply the concepts, principles, and theories in different Financial Management situations
- Demonstrate written communication skills in Financial Management
- Have oral communication skills in Financial Management
- Have skills of using computer applications in Financial Management
- Have scientific research skills in the field of Financial Management
- Have the skills of critical thinking and analysis in the fields of Financial Management
- Have the skills in strategic thinking and finding solutions in Financial Management
- Believe, and practice sustainability in Financial Management
- Have the skills of leadership, teamwork, and decision making in Financial Management
- Have the ability to distinguish between ethical issues in Financial Management
- Have the competence of social responsibility in the fields of Financial Management
- Have the competence to deal with cultural diversity in Financial Management

Course Topics

- An overview of financial management
- Capital budgeting and project evaluation
- Analyzing investment risk
- Relationships between investments: portfolio theory
- Setting the risk premium: the capital asset pricing model
- Enterprise value and equity value
- Identifying and valuing options
- Working capital and short-term asset management.
- Short-term and medium-term financing
- Long-term financing
- Returning value to shareholders: the dividend decisions
- Capital structure and the required return
- Capital structure theorems
- Mergers and acquisitions and structuring

Text Book

- Pike, R., Neal, B., Akbar, S. and Linsley, P. (2018). *Corporate Finance and Investment*. 9th edition. United Kingdom, Pearson Education.

Additional References

- Clayman, M. R., Fridson, M. S., Troughton, G. H., 2012. *Corporate finance: a practical approach*, second ed., Hoboken, New Jersey, John Wiley & Sons
- Moyer, R. C., McGuigan, J. R. and Rao, R. P. (2018). *Contemporary financial management*. 14th edition. Boston, Cengage Learning.
- Brigham, E. E. and Houston, F. J. (2019). *Fundamentals of financial management*. 15th edition. Canada, Cengage Learning.

Online Resources

- Cases Studies in Finance
- Understanding economic value added (9-206-016)
<https://www.thecasecentre.org/main/products/view?id=68738>
- Coke vs Pepsi 2001 (UV0008) <https://owlcation.com/social-sciences/Coke-versus-Pepsi-2001>
- Blaine Kitchenware, Inc.: Capital structure (4040, 2009), NIKE, INC.: COST OF CAPITAL (UVA-F-1353).
- Bloomberg Terminal.
- Academic databases available through the University's Library website.

| Course Outline | | | |
|----------------|-------|--|---------|
| Week | Hours | Topics | Remarks |
| 1 | 3 | An overview of financial management | |
| 2 | 3 | Capital budgeting and project evaluation | |
| 3 | 3 | Analyzing investment risk | |
| 4 | 3 | Relationships between investments and portfolio theory | |
| 5 | 3 | Setting the risk premium and the capital asset pricing model | |
| 6 | 3 | Setting the risk premium and the capital asset pricing model | |
| 7 | 3 | Midterm Exam | |
| 8 | 3 | Enterprise value and equity value | |
| 9 | 3 | Identifying and valuing options | |
| 10 | 3 | Working capital and short-term asset management | |
| 11 | 3 | Short-term and medium-term financing | |
| 12 | 3 | Long-term financing | |
| 13 | 3 | Capital structure | |
| 14 | 3 | Mergers and acquisitions | |
| 15 | 3 | Presentations | |

| Measurement and Assessment Tools | | | | | | | | | | | | | | |
|----------------------------------|--------|------|--------------------|---------|------|------------------------|----------|-------------------|--------------------|----------------|------------|--------|---------------------------------|--------------------|
| Assessment Tools | Grades | Week | Knowledge | Skills | | | | | | Values | | | | |
| | | | Identify and apply | Written | Oral | Information Technology | Research | Critical thinking | Strategic thinking | Sustainability | Leadership | Ethics | Corporate Social responsibility | Cultural diversity |
| Midterm Exam | 20 | 9 | X | | | | | | | | | | | |
| Case Study | 10 | 12 | | X | | | | X | X | X | X | X | X | X |
| Project | 20 | 15 | | X | | X | X | X | X | X | X | X | X | X |
| Presentation | 10 | 15 | | | X | X | | | | | | | | |
| Final Exam | 40 | TBD | X | | | | | | | | | | | |
| Total | 100 | | | | | | | | | | | | | |

| Approved by Department Chair | Date of Approval |
|------------------------------|------------------|
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| Additional Information: Updated every Semester by Course Instructor | |
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| Course Instructor | |
| Department | |
| Phone No. | |
| Extension No | |
| Email | |
| Office Hours | |