

FUNDAMENTALS OF FINANCIAL MANAGEMENT

Course No	:	BUS 284
Course Title	:	FUNDAMENTALS of FINANCIAL MANAGEMENT
Prerequisites	:	Business Mathematics (BUS102), Principles of Business Statistics (BUS 104); and Principles of Finance (BUS 204)
Course Type	:	Major – Elective
Faculty Member	:	Dr. ; Room # ; Telephone ; e-mail ;
Office Hours	:	
Class Time	:	
Lecture Class	:	

Course Objectives:

The objective of this course is to introduce the basic tools and techniques required in modern financial management. Further, the course will also introduce some of the underlying concepts and theories involved. All the topics covered will start from the basics but will gradually build up so that the students gain a comprehensive understanding of the material covered. An important aim of the course is to equip the student with the basic concepts and techniques required to major in financial management at four year universities.

Course Description:

This course covers issues related to the financial structure of firms and decisions to acquire assets as well as their financing. It deals with the basic tools, concepts, and techniques of financial analysis applied to corporate decision making. The course introduces the application of financial principles to problems of acquisition, use, and management of funds in business. It also includes choosing the optimum source of financing and considering the sources of funds from capital markets.

Course Outline:

1. Introduction to financial management
2. Introduction to financial markets
3. Essential concepts in finance
4. Forecasting future needs for funds
5. Analysis of financial statements
 - Financial planning and control
 - Cash flow analysis
 - Ratio analysis
6. Introduction to risk and returns
7. Time value of money
8. Bond and stock valuation

9. Introduction to capital budgeting and decision making
10. The cost of capital
11. Dividend policy
12. Introduction to assets management
13. Introduction to working capital management
14. Introduction to cash and cash management
15. Accounts receivable and inventory
16. Short term financing

Learning Outcomes:

After completing the course the student should be able to:

1. Explain the basic concepts and processes involved in Ratio Analysis, Break-even analysis, Planning and Forecasting, Debt and equity valuation, Time value of money, Capital Structure, Capital Budgeting, Current Asset management and Mergers and Acquisitions.
2. Understand the basic financial tools and techniques used to analyze every component of the income statement and balance sheet
3. Describe the financial context and effects of common business decisions and strategies.

Teaching Methods:

Electronic presentation; Use of a Spreadsheet package to implement financial management tools, and CD-ROM for action learning;
 Use of the Internet for up-to-date global info;
 Usage of Statistical CD-ROM data.

Skills to be developed:

This course helps students in developing the following skills:

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| 1. Communication (Oral & written) | Through Assignments, Case Study discussions and Examinations |
| 2. Analytical | Through Case studies and examinations |
| 3. Team Work | Through Case studies |
| 4. Creative Thinking | Through Case studies, assignments, classroom discussions |
| 5. Adaptability to Change | Through Case studies, and examinations |
| 6. Ethics | Through lectures and assignments |
| 7. Use of Information Technology | Through use of PCs, Internet, CD-ROM, Statistical data base in the library |
| 8. International issues | Through Case studies, assignments, classroom discussions, and examinations |

Evaluating Student Performance:

Class participation and attendance	10%
Individual assignments /or/ Tests (two)	40%
Mid-term examination	20%
Project Presentation	30%

Assignment	LO1	LO2	LO3
Class participation		X	X
Class assignment/tests	X	X	
Mid-term exam	X	X	X
Project			X

Grading:

<u>Percentage Score</u>	<u>Letter Grade</u>	<u>GPA Points</u>	<u>Percentage Score</u>	<u>Letter Grade</u>	<u>GPA Points</u>
90 - 100	A	4.0	70 - 74	C	2.0
85 - 89	B+	3.5	65 - 69	D+	1.5
80 - 84	B	3.0	60 - 64	D	1.0
75 - 79	C+	2.5	< 60	F	0.0

Educational Resources:

Educational Resource	Description	Comments
Textbooks Required	Principles of Corporate Finance , 7 th ed., by Brealey and Myers. The McGraw-Hill Companies. Financial Markets and Corporate Strategy , 2 nd ed., by Grinblatt and Titman, The McGraw-Hill Companies.	
References	A random walk down Wall street , by Burton Malkiel, Norton Publications.	
Readings	Modern Portfolio Theory and Investment Analysis , 5 th ed., by Elton and Gruber. Wiley Publications.	
Websites		
Journals	Wall Street Journal, Financial Times, The Economist.	
Computers	Internet searches for obtaining info on Financial Management.	
CD – ROM :	(CD-ROM) data base in the library plus Action learning through CD	
Other Resources:	Library resources, Internet search of periodicals	

Course Schedule & Outline:

Sixteen Week Semester, 3 hrs/Wk

Date	Week	Outline Syllabus	Learning Outcomes	Homework Assignments, Due dates
February 12/2-16/2	1		LO1	
February 19/2-23/2	2		LO2	
May 28/5- 31/5		General Review		