

Syllabus
BAE5152 Management by Key Performance Indicators
Prof. Dr. Bettina C. K. Binder
Winter Semester 2023/2024

Level	Master	
Credits	3	
Student Contact Hours	2	
Workload	90 hours	
Prerequisites	Bachelor level knowledge in financial accounting and control and value based management	
Time	s. LSF	
Room	s. LSF	
Start Date	s. LSF	
Lecturer(s)	Name	Prof. Dr. Bettina C. K. Binder
	Office	T1.3.28
	Virtual Office	Virtual Office Prof. Dr. Binder
	Office Hours	Wednesdays 11:30 – 13:00h
	Phone	07231 28-6682
	Email	bettina.binder@hs-pforzheim.de (preferred mode of communication)

Summary

The lecture provides an advanced knowledge in financial accounting, financial control, and includes treasury and cash flow management tools as well as the basics of corporate taxation and investor relations. The course is a combination of lectures, workshops, case studies and students' presentations.

Outline of the Course

The course has a workshop character with audio-lectures, students presentations, case studies, discussions in class and (if available) lectures / presentations from outside experts. A fair knowledge of the students in finance, financial control and about capital markets is a prerequisite. Depending on the knowledge and the interests of the students, discussions can develop around the following course topics:

Table with course topics, details and ideas for presentations

No.	Theme	Ideas for presentations
1	The role of the Head of Controlling compared to the CFO - Controller and finance manager personality - Different tasks, philosophy	Show the differences of these 2 roles (Denk Henrik, Deible Simon, 07.04.22)
2	Difference between Financial Management and Accounting - Different tasks - Different acting persons, different targets	Prepare an overview over the different tasks, responsibilities of the 2 philosophies (Selin, Erol, Katja Josenhans, 13.04.22)
3	Characteristics of a balance sheet as main instrument in Financial Management - Explain the basic positions of a BS	Main BS positions, plausibility with P&L (Armend Bajramaj, Simon Würl, 20.04.22)
4	Characteristics of a Profit & Loss (PL) statement as main instrument in Financial Management - Explain the basic positions of a P&L	Main P&L positions, plausibility with BS (Ugur Benli, Layana Berendt, 21.04.22)
5	Characteristics of a cash flow statement as main instrument in Financial Management - Explain the basic positions of a cash flow statement	Main cash flow statement positions, typical purpose (Linda Martin, Acelya Özkan, 27.04.22)
6	Different reporting types and regulations – Controlling analysis, IFRS-reporting, US-GAAP reporting - Reporting content, responsibilities	Give an overview over the 3 different reporting systems (Moritz Junginger, David Hermann, 28.04.22)
7	Digitalized reporting - Reporting process standardized and digitalized	New tasks for the controller in a digitalized reporting process (Calogero Argentiero, Harer Valentin, 12.05.22)
8	Digitalized planning - Planning process standardized and digitalized	New tasks for the controller in a digitalized planning process (-)
9	EVA-analysis – typical KPIs - Which typical KPIs should be measured in an EVA-analysis	Overview over the KPIs in an EVA-analysis (Pascal Schüle, Evelyn Spiess, 18.05.22)
10	Return figures-analysis – typical KPIs - Which typical KPIs should be measured (e.g. ROI, etc.)	Plausibility of the Return-KPIs (Kristin Trefzer, Lukas Schubert, 25.05.22)
11	The 2008/2009 crisis of the financial markets – was Value based Management useful to survive? - From the collapse of the U.S. housing - Spill-over-effects on the production and services sectors of the global economy	Prevention measures of Value based Management against a repetition in the future (-)

12	The 2011 crisis of the Euro, following the Greece financial debt breakdown – can Value based Management help? - Why and how does a 3% GNP-country influence the European and global financial markets? - The Greece crisis as a miracle play for Portugal, Italy, and Spain?	The two Greece crises 2011; explain reasons and analyze and discuss the political and financial support measures taken Prevention measures of Value based Management against a repetition in the future (-)
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Course Intended Learning Outcomes and their Contribution to Program Intended Learning Outcomes / Program Goals

Program Intended Learning Outcomes		Course Intended Learning Outcomes
After completion of the program the students will be able...		After completion of the course the students will be able...
1 Responsible leadership in organizational contexts		
1.1	...to demonstrate their solid knowledge of numerous relevant management principles. They are able to explain and discuss them discerningly.	...to adequately use key figures to control a company.
1.2	...to apply management principles within an organizational context.	...to apply concepts of global business analysis and management.
2 Creative problem solving skills in a complex business environment		
2.1	...to recognize and define problems as well as assess their importance.	...to lead technical discussions on topics relevant to controlling.
2.2	...to analyse complex in-company and inter-company problems and challenges from different perspectives and/or within an international context.	...the use of company key figures for target-oriented control and know their limits and their benefits.
2.4	...to clarify successfully complex problems and solutions to both experts and laymen.	...to prepare and deliver presentations and scientific seminar papers on topics relevant to controlling.
3 Creative problem solving skills in a complex business environment		
3.2	...to successfully apply research methods relevant to engineering and management.	...to write seminar papers in compliance with the principles of scientific work.
4 Interdisciplinary and integrative work		
4.1	...to apply their expert knowledge in the engineering and business field and to provide integrated solutions to complex tasks.	...to use controlling knowledge, which helps to evaluate technical concepts with regard to their economic sense.

Teaching and Learning Approach

The teaching and learning approach is based on three didactical methods:

- 1) The theoretical key knowledge and the basic concepts are taught during the lecture / presentation. The students gain methodological knowledge and receive guidance about how to implement the introduced concepts and tools. Questions and comments of the students are welcome during the lecture / presentation.
- 2) After the audio-lecture / presentation, the students should reflect and sum up the content of the audio-lecture / presentation with the aid of course materials provided. The theoretical knowledge is engrossed and converted into practice by examples, student presentations and case studies. An active participation in class is an important part of the teaching and learning approach.
- 3) The students should be able after visiting the course to solve transfer questions and explain the learned objectives with other examples on basis of companies of other branches.
For this reason the students can always communicate with the instructor and get support and advice via email or during the office hours.

Literature and Course Materials

- **Annual reports** of leading international companies (e.g. SAP, Bosch, Daimler).
- **Atrill, P., McLaney E. (2014)**, Accounting and Finance for Non-Specialists, 9th ed., Harlow: Pearson.
- **Buchholz R. (2016)**, Grundzüge des Jahresabschlusses nach HGB und IFRS, 9. Auflage, München: Vahlen.
- **Higgins, R.C. (2015)**, Analysis for Financial Management, 11th ed., New York: McGraw Hill Education.
- **Holmes G., Sugden A., Gee P. (2008)**, Interpreting Company Reports and Accounts, 10th ed., Harlow 2008.
- **Horváth, P., Gleich, R., Seiter, M. (2020)**, Controlling. 14. Aufl., München: Vahlen.
- **Horváth & Partner (2017, Hrsg.)**, Das Controllingkonzept, 9. Aufl., München: Dtv.
- **Kieso, D.E., Weygandt, J.J., Warfield, T.D. (2013)**, Intermediate Accounting, 15th edition, New York: Wiley.
- **Vollmuth H.J. (2009)**, Bilanzen. richtig lesen, besser verstehen, optimal gestalten, 9. Auflage, Freiburg: Haufe.
- **Weber, J., Schäffer U. (2016)**, Einführung in das Controlling, 15. Aufl., Stuttgart: Schäffer Poeschel.
- **Weygandt, J.J., Kieso, D.E., Kimmel, P.D. (2016)**, Financial Accounting, 10th edition, New York: Wiley.
- **Weygandt, J.J., Kieso, D.E., Kimmel, P.D. (2012)**, Managerial Accounting, 6th edition, New York: Wiley.

Basic and first reading material for the chosen presentations may be found in the internet or in the library. Also the professor may be able to provide some help in finding first relevant literature.

Class handouts / power point slides can be found on the internet under <https://lms.hs-pforzheim.de/login/index.php>

Assessment

There is a written exam at the end of the semester of 60 min / 45 min.

The following requirements have to be completed for getting a grade:

- Activities 1 – 3:
 - listening to the audio-lecture and preparing for the exam,
 - lecture participation for having case study knowledge and oral participation,
 - students presentation,will be graded each separately, and on that basis an average grade per person will be built by the professor:
- Students are required to prepare a 5 minutes presentation (for 2 students 10 minutes) in which they give an overview of a specific topic of the course and show a depth understanding of the topic
- The presentation will be afterwards discussed in class (10 - 15 minutes).
- Active general participation in English during the lectures, and especially in brainstorming, workshops, and case studies is necessary.

Grading and course certificates

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|--------------|---|
| 1 = sehr gut | = represents exceptional work, far above average. |
| 2 = gut | = represents good work, above average. |

- 3 = befriedigend = represents average work.
 4 = ausreichend = represents below average work with considerable shortcomings.
 5 = nicht ausreichend = is just exceptional work in the wrong direction or with unacceptable shortcomings.

Course certificates or other acknowledgements for attendance of the course can only be granted to students who actively participated in the discussions (30% of the grade) and made a sufficiently graded presentation (20% of the grade) and had success in the exam (50% of the grade).

Tentative Schedule

No	Date	Content
(1)		Introduction to KPI Management Overview Workshops Discussion of rules, requirements, syllabus, citation styles, schedule, grouping
(2)		Workshop 1
(3)		Workshop 2
(4)		Workshop 3
(5)		Workshop 4
(6)		Workshop 5
(7)		Workshop 6
(8)		Workshop 7
(9)		Workshop 8
(10)		Workshop 9
(11)		Workshop 10
(12)		Workshop 11
(13)		Workshop 12
(14)	n/a	Preparation for the examination, Questions

*see LSF

Code of Conduct for Students

[Link to the Code of Conduct for online Teaching](#)

Teaching Philosophy

In class, we consider the important concepts, models and principles of strategic and financial management and apply them on a real enterprise situation. I will assist you to develop a self-contained strategic thinking, based on the acquired basic skills, and to evaluate the opportunities and the threats of different strategies and financial management methods. I want to support every student who is committed to take the required knowledge and to pass the course successfully

Additional Information

Language: English

Learning objectives:

The subjects of a corporation's finance function are discussed with a special focus on value based management. Students will be able to analyze respective subjects and issues with a sound financial background and develop optimal solutions, also in teams with other management disciplines. Students will realize the links between strategic management and financial control.

In more detail:

The students are getting familiar with all parts and aspects of value based management, including audit procedures, and financial reporting requirements of a company. Different accounting standards (e.g. German local GAP, US GAAP, IFRS) are explained and compared.

Students are able to analyze the annual reports and other financial information of companies also in light of other available information, and hence recognize possible external chances and risks and internal strengths and weaknesses. Such analysis is trained during the course with an audio-presentation, examples, case studies and presentations from the students.

Students will recognize the links between strategic management and financial control, including finance and balance sheet policies of companies. They learn about the instruments of a financial controller helpful for profit-, cash- and value optimization. Moreover, they get to know the roles and functions of internal and external auditors and their relations to a financial controller.

Additionally, students gain an overview on corporate laws and taxation in Germany and the international environment. The importance of taxation for "after-tax- decisions" and cash flows is explained in audio-presentations.

The instruments Value based Management and Value based Controlling are discussed and explained in detail in presentations.

Students will further be able to recognize the daily importance of investor relations and its major tools. They will realize how important a company's financial network is in order to finance growth and always secure all cash needs.