



SYLLABUS

School of Business

BUS 603 Financial Management (Hybrid)

Adjunct Professor: Frank Viola

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Fall 2019, Wednesday evenings, 6pm-9pm

I. Description of the Course

This course explores the theory and practice of financial decision making in the firm, with emphasis upon the practical application of financial analysis. This course is based on the principle that a firm should be managed to increase the wealth of its shareholders. Topics presented are financial management, capital investment decisions, financing decisions, and managing for value creation. This course teaches the concept that the value of the firm must be evaluated in terms of the sequencing and amount of cash flow generated.

II. The General Curriculum Objectives Addressed in this Course

As part of the Business Administration program this course is designed to assist the student to achieve the following objectives of this curriculum:

- A. **Biblical World View Integration.** Students will synthesize theory and research through a distinctly biblical lens to continually develop and inform a Christ-centered leadership practice.
- B. **Ethics.** Students will be able to evaluate legal and ethical principles relevant to business contexts and apply them to organizational decision-making.
- C. **Leadership.** Students will study leadership skills, leading to an understanding of group and personal dynamics, and be able to work in teams. Activities used will explore the significance of ethnic, cultural and gender diversity in organizations.
- D. **Economic and Financial Systems.** Students will acquire an understanding of global and domestic economic theories and their application to the business setting. Students will be given an appreciation of current financial theories, markets, reporting systems, and analytics.
- E. **Business Environment.** Student will obtain an appreciation of the multicultural, political, environmental, legal and regulatory settings of organizations, and how these influences may combine to affect business decision-making.
- F. **Strategic Planning.** Student activity is focused on obtaining an understanding of the integrated nature of business systems; the relationships between functional areas of the business; and how these realities affect long-range planning, program implementation, and control.
- G. **Communication Skills.** Students will be able to demonstrate effective oral and written communication skills in a professional context.

III. The Specific Objectives of this Course

As part of the School of Business and Leadership curriculum this course is designed to assist the student to achieve the following specific course objectives:

Specific Objectives After successful completion of this course the student will be able to...	Related Curriculum Objectives (from “II” above)
A. Analyze corporate financial performance, financial structure, and leverage.	II. A, B, C, D, E, F, G
B. Evaluate cash flow over time.	II. D, E, F, G
C. Evaluate financial securities, especially stocks and bonds.	II. B, D, E, F, G
D. Analyze risk, return, and portfolio performance.	II. A, D, E, F, G
E. Evaluate long-term investment projects.	II. D, E, F, G

IV. Demonstration of Learning

Course assignments, relationship to course objectives, and weight for each component in calculating the final grade for the course. Individual grading rubrics are outlined in the syllabus and posted on the eLearning site for this course	Related Course Objectives (from ‘II’ & ‘III’)	Percent of Course Grade
1. Participation & performance in weekly web-enabled Q& A sessions and assignments.	III. A, B, C, D, E	10%
2. Class and online attendance, participation, completion of reading and readiness for classroom discussions with colleagues & professor.	II. A, B, G III. A, B, C, D, E	10%
3. Successful participation in all phases of the Faith & Learning Forum.	II. A, B, G	5%
4. Graded Homework Assignments.	III. A, B, C, D, E	15%
5. Mid-term examination.	III. A, B, C, D, E	20%
1. Financial analysis project (financial analysis Excel template to be provided by the instructor) and Zoom presentation.	III. A, B, C, D, E	20%
2. Final examination.	III. A, B, C, D, E	20%
Total		100%

Grading Scale

Percentage	Letter	Percentage	Letter
94-100	A	74-76.9	C
90-93.9	A-	70-73.9	C-
87-89.9	B+	67-69.9	D+
84-86.9	B	64-66.9	D
80-83.9	B-	60-63.9	D-
77-79.9	C+	0-59.9	F

V. Faith & Learning Forum

Students are expected to participate in a topical discussion forum presented sequentially during the course. The topic will be posted by the instructor and the corresponding forum will be open for the scheduled period as shown on the eLearning web site. Each phase of the forum will be open for a period of one week. It will close at midnight of the last day of that week. **Once closed, further participation in that phase of the forum will not be possible. Consequently, it is in the student's best interest to post early. Failure to post will result in no score for that part of the forum.**

Successful student participation in the first phase of the forum requires each student's original post should be between 200 and 250 words.

Successful participation in the second phase entails at least three (3) responses to the original posts from phase one. These posts should be between 75 and 150 words.

The third phase of the forum requires each student to synthesize the information from their first post as well as any and all responses pertaining to that post from phase two. Successful student participation in this phase will be a posting of the product of this synthesis in a new post of between 200 and 250 words.

The fourth phase of the forum is again an opportunity for each student to respond to the posting from the third phase. Successful participation in this final phase entails at last three (3) responses to the post in phase three. These posts should be between 75 and 150 words.

Up to one additional point will be awarded to students equal to the average score earned on the first four phases. The total value of this forum for the course is five (5) points.

The word count cited above is a general guideline. The quality of the postings and the responses is paramount. This forum seeks to have the student address the relationship between a biblical principle or scriptural citation, and the course content as it pertains to their own spiritual formation. Ideally these forums should prompt the students to develop and maintain an awareness of the foundational role that their relationship with God has in the pursuit of their careers in business.

VI. Grading Rubric for Faith & Learning Forum

	Full Credit (1 point)	Partial Credit (0.5 points)	No Credit (0 points)
Phase 1	Thoughtful post addressing the concept consisting of at least 200 – 250 words	Post fails to fully address the concept, or of less than 200 words in length	No satisfactory posting
Phase 2	At least 3 responses to peers or rebuttals to peer responses (approximately 75 to 150 words each)	Less than 3 responses to peers or rebuttals to peer responses (approximately 75 to 150 words each)	No responses or rebuttals or responses of a perfunctory nature and short in length
Phase 3	The post thoughtfully	Post fails to synthesize	No satisfactory posting

	synthesizes the student's original ideas and the responses or rebuttals noted in Phase 2. This post should be at least 200 – 250 words	the original post with the responses/rebuttals noted in Phase 2, or is of less than 200 words in length	
Phase 4	At least 3 responses to peers or rebuttals to peer responses (approximately 75 to 150 words each)	Less than 3 responses to peers or rebuttals to peer responses (approximately 75 to 150 words each)	No responses or rebuttals or responses of a perfunctory nature and short in length

VII. Information Resources and Technology Needed for this Course

Students will need to have access to Microsoft Excel (preferred) or an equivalent spreadsheet application for use for homework assignments. Additionally, students may also consider using a business calculator for the online quizzes and assignments where possible. A recommended **(but not required)** business calculator is the TI BA-II Plus which can be purchased at a reasonable price.

Since this is a hybrid course, approximately one-half of the course content will be delivered online. Students must have access to the internet in order to satisfactorily complete the weekly assignments as posted on the Cairn eLearning site for this course.

B. Texts and/or other learning resources required for this course:

Fundamentals of Financial Management 2019, 15th ed. South Western Cengage Brigham, E; Houston, J. (ISBN: 978-1-337-39525-0)

Please note that students may use the 13th or 14th editions of this textbook in lieu of the 15th edition, if desired. It is imperative to be aware that students are required to have a general understanding of the content of the first nine (9) chapters of the textbook prior to the start of the first class. This content is foundational to the concepts that will be covered in the course and students will have to be conversant in their content for classroom and online discussions as well as for the graded examinations.

VIII. Additional Course Policies and Procedures

- A. **Attendance Policy** - Each class is designed to be a vital part of this course. Therefore, each student is expected to attend and actively participate in each class, with the level of participation being a part of the grade for the course. Should an absence be unavoidable, the student is responsible to obtain information about any material, examples or exercises missed during any absence. In order to successfully complete the course, students cannot miss more than six class hours.
- B. Interaction in class discussion is an important way to demonstrate understanding of the concepts of finance and their application to decision making in business. Verbal quizzes on

information in previous chapters are subject to being recorded for the participation component of the overall grade.

- C. Students will prepare for each class by reading the assigned text material to be discussed.
- D. All homework is to be turned in as directed on the date the assignment is due. **No credit for grading will be given for homework assignments received after the due date and time.**
- E. If an exam must be missed, it must be taken as soon as possible by arrangement with the instructor. The student may not return to class until the missed exam has been taken. Alternate arrangements must be made in advance.
- F. Proper classroom etiquette: Cell phones are to be silenced and not used for instant messages, games, etc. Notebook computers in the classroom are to be used only for purposes of note-taking. All other notebook computer use during class time is prohibited.
- G. Instructor Access:
 Email: fviola@cairn.edu
 Phone or Text: 215-740-1719

IX. Tentative Class Schedule

In-Class Session (3 hrs)	Topics/In Class Activity	Assignments (Due <u>before</u> class period)
Oct 23	Analyzing in Corporate Financial Structures: <ul style="list-style-type: none"> - Cost of Capital - Weighted Average Cost of Capital (WAAC) - Cost of Debt - Cost of Preferred Stock - Cost of Retained Earnings - Factors that affect WACC 	A working knowledge of the major topics of the first nine chapters of the textbook is required to begin the class and continue in the course. A brief review will take place.
Oct 30	Financial Structure and Capital Budgeting <ul style="list-style-type: none"> - Capital Budgeting - Net Present Value - Internal Rate of Return - NPV Profiles 	Post: Q&A Initial: Oct 26 Responses: Oct 29 Questions/Problems assigned at end of previous class. Faith & Learning Forum – Phase 1
Nov 6	Cash Flow and Risk <ul style="list-style-type: none"> - Cash Flow Estimation - Analysis of a Capital Project - Replacement Analysis 	Post: Q&A Initial: Nov 2 Responses: Nov 5 Questions/Problems assigned at end of previous class. Faith & Learning Forum – Phase 2
Nov 13	Capital Structure Leverage & Risk	Post: Q&A

	<ul style="list-style-type: none"> - Capital Structure & Leverage - Business & Financial Risk - Determining the Optimal Capital Structure <p>MID TERM EXAM</p>	<p>Initial: Nov 9 Responses: Nov 12</p> <p>Questions/Problems assigned at end of previous class. Faith & Learning Forum – Phase 3. Mid-Term Exam – Nov TBD</p>
Nov 20	<p>Working Capital Management & Cash Cycle</p> <ul style="list-style-type: none"> - Working Capital Management - Cash Conversion Cycle - Cash Budgeting - Debt, Cash & Capital Structure 	<p>Post: Q&A Initial: Nov 16 Responses: Nov 19</p> <p>Questions/Problems assigned at end of previous class. Faith & Learning Forum – Phase 4</p>
Dec 4	<p>Evaluating Financial Securities</p> <ul style="list-style-type: none"> - Cash & Marketable Securities <p>FINANCIAL ANALYSIS PAPER & PRESENTATION</p>	<p>Post: Q&A Initial: Nov 30 Responses: Dec 3</p> <p>Questions/Problems assigned at end of previous class Financial Analysis Paper – Due Dec 7</p>
Dec 11	<p>Financial Planning & Forecasting</p> <p>FINAL EXAM</p>	<p>Post: Q&A Initial: Dec 7 Responses: Dec 10</p> <p>Questions/Problems assigned at end of previous class Final Examination – Dec TBD</p>