Managerial Finance is the first finance class I took, and this class taught us about corporate organizations, types of securities, short-term and long-term capitals, financial planning and control, forecasting and budgeting. Managerial Finance is the assessment of finance techniques to determine how they affect the business internally and externally. It takes into consideration how to improve financial techniques to better the company and where changes can be made to prevent loss. There are four main areas of financial topics and they are: corporate finance, investments, financial institutions, and international finance.

The goal of financial management in a for-profit business is to make decisions that increase the value of the stock, or, more generally, increase the market value of the equity. The corporate form of organization is superior to other forms when it comes to raising money and transferring ownership interests, but it has the significant disadvantage of double taxation. We also learnt that there is the possibility of conflicts between stockholders and management in a large corporation.

Managers of a financial entity must realize how resources are allocated within an organization. They need to know what each activity costs and why. These questions require managerial accounting techniques such as activity-based costing. Managers also need to anticipate future expenses and to get a better understanding of the accuracy of the budgeting process. Managerial finance also helps determine the best way to use money to improve future opportunities to earn money and minimize the impact of financial shocks. In this class we also learnt how to use the financial functions in Microsoft Excel.

The assignment I have chosen for this artifact calculates the NPV, IRR and MIRR to evaluate the financial benefits of two different projects. Net present value or NPV is the difference between the present value of cash inflows and the present value of cash outflows over a period of time. NPV is used in capital budgeting and investment planning to analyze the profitability of a projected investment or project. The internal rate of return (IRR) is a method of calculating rate of return. The term internal refers to the fact that the internal rate excludes external factors, such as inflation, the cost of capital, or various financial risks. It is also called the discounted cash flow rate of return. IRR is a very popular in estimating a project's profitability, however, sometimes it can be misleading.

To avoid misleading information, there is another way to estimate a project's profitability which is the MIRR (Modified Internal Rate of Return) method. I chose the above assignment as my artifact because not only did we use these methods to figure out which project would have the most outcome, we also used Excel functions to calculate the values.