

Syllabus

Course: Corporate Finance

Credits: 6 ECTS

Program: ADE

Module: Finance

Subject: Basic subject

Code: 802328

Abbreviation: MA17

Subject Coordinator: PhD. Cristina Tomas

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01 Faculty

01.1 Subject coordinator

Dra. Cristina Tomàs

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02 Presentation

02.1 Description

The subject of financial management II offers the financial instruments that companies have in order to assess different investment and financing problems, instruments as equities as well as fixed income instrument. Companies increasingly seek financing in the stock market and through corporate bonds. Therefore, we have to know the details of each of these markets and how financial operations are carried out. As in the current market, the financial market is increasingly advanced, new technologies need to be adapted to current financial instruments and the way to finance companies.

02.2 Relevant professional applications

The Financial Management course is very useful for those students whose professional life is focused on the financial area of the company, or within a financial entity, since it provides them with the necessary knowledge and skills that will allow them to develop in a way effective and effective the different tasks that have to carry out.

In this way, the analytical tools developed in the subject serve as a basis for different areas of the company studied throughout the Degree in Business Administration and Management, which allow financial and economic analysis in different time horizons adjusted to market criteria Current financial, as appropriate, supplemented with investment or financing studies that ultimately determine that the company can compare criteria and alternatives when deciding either by instruments in the variable market or in the fixed income market

03 Competencies

03.1 Subject Competences

Specific Competences

- CEFIN04-** Students will be versed in basic financial investments, business financing, market and financial product research methods
- CEFIN06-** Students will be able to engage in teamwork.
- CEFIN07-** Students will be able to identify problems, obstacles and opportunities and know how to propose improvements and innovative strategic solutions in the financial field.

General Competences

- CG02-** Students will show the ability to communicate orally and in writing on the results of learning, applied logic and decision-making processes and show the ability to participate in debates on relevant topics.
- CG04-** Students will be able to manage acquisition, structuring, analysis and visualization of data in their field of study and critically assess the results of this management.
- CG06-** Students will display the ability to identify obstacles and opportunities in their learning processes and propose improvements and develop strategies or solutions in a responsible and autonomous manner. Student will demonstrate planning and organizational skills which achieve objectives within the established deadlines and, at the same time, produce quality work, in a clear and orderly fashion, via effort, perseverance and a desire for personal and professional growth.

- CG08-** Student will show sophisticated analytical abilities being able to dissect problems and premises while investigating the relationships between them by identifying implications and consequences in order to judge consistency.
- CG09-** Students will show an ability to understand the organizational and technical aspects of a company's activity, labour standards and the relationships between planning, industrial and commercial strategies, quality control and profits.

Basic Competences

- CB1-** Students will demonstrate knowledge of their area of study which is based in, and yet surpasses, general secondary school education. While knowledge will be acquired primarily via advanced textbooks, students will also demonstrate aspects that imply vanguard knowledge of their field of study.
- CB2-** Students will know how to apply acquired knowledge to their work or specialized activities in a professional manner and will possess skills such as problem solving along with the ability to defend and develop thesis within their area of study.
- CB3-** Students will demonstrate the ability to gather and interpret relevant data (usually within their area of study) and contribute an informed opinion which includes reflections on relevant social, scientific or ethical issues.
- CB4-** Students will be able to communicate information, ideas, problems and solutions to an expert and non-expert audience.

Transversal Competences

- CT04-** Students will be able to manage acquisition, structuring, analysis and visualization of data in their field of study and critically assess the results of this management.

- CT05 -** Assess the situation and foreseeable evolution of a company from the relevant information records.
- CT06-** Students will display the ability to identify obstacles and opportunities in their learning processes and propose improvements and develop strategies or solutions in a responsible and autonomous manner. Student will demonstrate planning and organizational skills which achieve objectives within the established deadlines and, at the same time, produce quality work, in a clear and orderly fashion, via effort, perseverance and a desire for personal and professional growth.
- CT08-** Student will show sophisticated analytical abilities being able to dissect problems and premises while investigating the relationships between them by identifying implications and consequences in order to judge consistency.
- CT10 -** Regularly use Information and Communication Technologies (ICT) in all their professional performance
- CT11 -** Apply to the analysis of problems, professional criteria based on the application of advanced techniques and tools.

04 Program

1. Traditional financing decisions and market efficiency.
2. Possibilities of business financing through banks (loans), and stock market (equity) and fixed income market (corporate bonds).
3. Dividend policy and capital structure of the Equities market.
4. The rating of corporate bonds.
5. The calculation of the cost of financing capital and the CAPM model.
6. The risk in the investment analysis and risk mitigation strategy.
7. Quantification of investment risk and the effect of correlations between them.
8. International financing and the use of the Fintech and Blockchain market
9. Valuation of companies, Mergers and acquisitions.
10. Sustainability and financial ethics in the company

05 Teaching Method

Considering the characteristics of the subject, both theoretical and practical; and the profile of the students, the learning design of the subject has been articulated around three groups of methodologies:

- ME1.** Interactive class presentations
- ME3.** Independent work
- ME4.** Case study/problem solving based learning

06 Learning Activities

The following learning activities are undertaken in line with competencies stipulated for this subject and consistent with the teaching methodologies proposed:

Evaluation activities	Hours	On-site delivery
AF1. Content exposition with student participation	24	100%
AF2. Problem solving exercises and case studies with student participation	24	100%
AF4. Study and preparation of teaching units	44	0%
AF5. Completion of exercises and case studies	25	0%
AF6. Systematic resolution of problems	25	0%
AF13. Written / oral evaluations	8	100%

07 Assessment

Assessment Item	Assessed Specific skills	Weight
EV1. Final written exam on the entirety of the subject studied	CEFIN03, CEFIN06 CEFIN07	40%
EV2. Mid-term written test	CEFIN03, CEFIN06 CEFIN07	20%
EV3. Exercises, problems, reporting, homework - Exercices and problems - Statistical report of a business case	CEFIN03, CEFIN04 CEFIN06, CEFIN07	40%

"The maximum grade that students will be able to obtain in the revaluation tests [...] shall be 5,0. In addition, "the grade of the revaluation tests shall in any case constitute the final grade of the subject". Thus, **only students who, having completed the midterm exam, the final exam and having carried out 100% of the continuous evaluation activities of the subject**, and have suspended (final grade of the subject below 5) will be entitled to the revaluation examination.

08 Learning Resources

Subjects	Resources	Type
Units 1 - 5	Class Slides, notes and exercises	Class and Blackboard

09 Code of Academic Conduct

The section 27.2 of the Universal Declaration of Human Rights stipulates that everyone has the right to the protection of the moral and material interests resulting from any scientific, literary or artistic production of which he is the author.

Thus, the moral and patrimonial rights of the authors of literary, musical, artistic, scientific and academic creations, whether they have been published or not, are protected by means of different national and international regulations. In the case of Spain, the Legislative Royal Decree 1/1996, of April the 12th, approved the consolidated version of the Law of Intellectual Property, regularizing, clarifying and harmonizing the legal provisions for the time being in force on this matter.

In this respect, special attention must be given to previously obtaining the corresponding authorization from the owner of the copyrights of any material, particularly before its distribution to the students and by means of the virtual campus. EAE Barcelona takes no responsibility for the non-compliance with this rule on the part of the users, either members of the teaching community or students.

The following materials that can be duplicated without the requirement of previous authorization:

- Laws and regulations.
- Court decisions.
- Acts, agreements, deliberations and decisions from public bodies.
- Any material distributed under the Creative Commons license, whenever its author and credits are mentioned.
- Any material published under the ISBN of EAE Barcelona or EAE Madrid.
- Any material, whose rights belong to EAE Barcelona or EAE Madrid.
- Any work that is in the public domain.

Furthermore, the quotation right is the inclusion of extracts from protected documents or materials, in this particular case, elaborated by the members of the teaching community- with the exception of textbooks and university handbooks- when such extracts are used to accompany educational activities.

The excerpts that can be used on the basis of the quotation right must fulfil the following requirements

- They must be previously published works.
- The source and author must be mentioned, whenever it is possible.
- They must deal exclusively with the teaching field.
- The inclusion of the excerpt must necessarily come with an analysis or explanation of it.

Concerning the material elaborated by the professors, in case it has been previously published, the agreements with the magazine or publication where it appeared must be considered.

As is apparent from the preceding paragraphs, plagiarism is a fraudulent activity that may result in serious sanctions, both of academic and legal nature. Academic honesty is one of the pillars on which the School's commitment to education is based, and the members of its teaching community are particularly conscious and prepared to perceive this kind of actions. Keeping in mind the difficulty that arises when trying to conceptualize plagiarism, it has been considered appropriate to delimitate clearly its contents and significance in these regulations and policies.

Plagiarism is understood as the appropriation of someone else's works, pretending that they are one's own; that is to say, without explicitly confirming its source. Plagiarism can consist on the complete or partial unauthorized copy of someone else's work, or the presentation of a copy as an original own work, impersonating the true author. Some examples of plagiarism are:

- Presenting someone else's work as one's own, regardless of whether the copy is complete or partial.

- Paraphrasing a text using different words, with small changes in the language, without quoting the source in order to feign.
- Purchasing or obtaining a work and presenting it as one's own.
- Using someone else's ideas or sentences as the basis to write a work without quoting its author.

In line with the section 10 of the Academic Code of Conduct of Students of EAE Barcelona, without prejudice to the academic sanctions resulting from its application, the Academic Commission will promote the pertinent legal actions if the plagiarism violates the applicable regulation in matters of intellectual property.

10 Bibliography

10.1 Basic bibliography

- Brigham EF, Houston JF. Fundamentals of financial management. Cengage Learning; 2021 Feb 4.

10.2 Complementary bibliography

- Fundamentals of Corporate Finance plus Pearson MyLab Finance with Pearson eText, Global Edition, 4th Edition, Berk, DeMarzo & Harford, Pearson, 2020
- Corporate Finance: Principles and Practice, 8th Edition, Watson & Head, Pearson, 2019