APPLIES TO ACADEMIC YEAR 2014/2015

MAN 1582/1583/1584/1585 Corporate Financial Management

Programme
Final Master of Management Program, Master of Management Program

Responsible for the course
Geir Bjønnes

Department
Department of Financial Economics

Term
According to study plan

ECTS Credits
30

Language of instruction
Norwegian and english

Introduction

This program will give students an insight into modern financial strategy that is both practical and useful for a company's long-term survival and growth.

Learning outcome

The programme gives participants a useful, relevant education with thorough specialist study in an area which is of vital importance to the ability to survive and growth of companies. After completing the programme, participants will be well equipped to influence and make investment and financing decisions to the benefit of the company. Central issues such as how decisions affect the value of a company will be dealt with. In order that participants have the necessary background to be able to make rational decisions when the unexpected occurs, importance is attached to how uncertainty affects decision-making rules.
The aim is for the participants who take the course to become important resource persons and managers in their respective companies

Acquired knowledge:
Upon completion of the course, students should be able to:

- Understand the role of capital budgeting
- Understand the focus on cash flow as opposed to earnings
- Understand why risk analysis plays such an important role in modern finance
- Understand how the capital stucture and dividend decision can influence firm value
- Understand which factors affect the value of a company
- Understand the main models of financial securities valuation
- Understand how financial theory/financial models can be used for risk management
- Understand which additional factors that need to be included when evaluating international investment and/or financial decisions

Aquired skills:
After taking the course, the students shall be able to:
(a) apply knowledge (i.e. concepts and skills) in analyses and discussions on financial problems,
(b) distinguish between relevant and irrelevant information, and
(c) give written answers to questions so that the readers understand the applied methods and conclusions.

Examples:

- When the tool is given, be able to apply the tool correctly
- Based on simple situation descriptions, choose the right tool and apply it correctly
- Based on more complex situation descriptions, be able to produce relevant information, link it to the suitable tool and apply the tool correctly

Reflection:
After taking the course, the students shall be able to ask critical questions and reflect on crucial assumptions and theories within the field of finance.

Prerequisites

Bachelor degree or equivalent and 4 years work experience. A college education in economics/administration (equivalent to a BBA), engineering or equivalent will give a good starting point. Such background can be compensated through relevant work experience.

Compulsory reading
Books:
Bodie, Zvi, Alex Kane, Alan J. Marcus. 2014. Investments. 10th ed. McGraw-Hill/Irwin
Eun, Cheol S., Bruce G. Resnick. 2014. International Finance. 7th ed. McGraw-Hill/Irwin
Hillier, David ... [et al.]. 2013. Corporate finance. European ed. McGraw-Hill
Stulz, René M. 2002. Risk management & derivatives. Thomson South-Western
Tim Koller, Marc Goedhart, and David Wessels. 2010. Valuation: Measuring and Managing the Value of Companies. 5th ed. McKinsey \& Company, Inc. Wiley

Recommended reading
Books:
Boquist, John A., Todd Milbourne, Anjan Thakor. 2010. The value sphere : the corporate executives' handbook for creating and retaining shareholder wealth. 4th ed. World Scientific Publishin
Robert L. McDonald. 2013. Derivatives Markets. 3. Pearson

Course outline
1st Investment decisions
2nd Financing decisions
3rd Valuation
4th Financial investments
5th Financial risk management
6th International finance

Computer-based tools
None.

Learning process and workload
The programme is conducted through five course modules, a total of 150 lecturing hours.

Project tutorials differ in each Master of Management program. It will consist of personal tutorials and tutorials given in class. Generally the students may expect consulting tutorials, not evaluating tutorials. The total hours of tutorials offered is estimated to two hours pr. students following an ordinary Master of Management program. For students taking the program as their final Master of Management program the tutorials offered are estimated to a total of six hours.

Examination
The students are evaluated through a term paper, counting for 18 credit hours and process evaluation, counting for 12 credit hours. The process evaluation consists of case and class participation where each element accounts for 50% of the grade in the process evaluation, 12 credits. Both evaluations must be passed to obtain a certificate for the program.The term paper may be written individually or in groups of maximum three persons.

For students taking this program as the final Master of Management Program the following applies:
The students are evaluated through a individual term paper counting for 24 credit hours and process evaluation, counting for 6 credit hours. The process evaluation consists of case and class participation where each element accounts for 50% of the grade in the process evaluation, 6 credits. Both evaluations must be passed to obtain a certificate for the program. The term paper may be written individually or in groups of maximum two persons.

Examination code(s)
MAN 15821 - Term paper; 18 credits; counts for 100 % to pass the program MAN 1582.
MAN 15831 - Process evaluation; 12 credits; counts for 100 % to pass the program MAN 1583.
Both evaluations must be passed to obtain a certificate for the program.

For students taking this program as the final Master of Management Program the following applies:
MAN 15841 - Term paper; 24 credits; counts for 100 % to pass the program MAN 1584.
MAN 15851 - Process evaluation; 6 credits; counts for 100 % to pass the program MAN 1585.
Both evaluations must be passed to obtain a certificate for the program.

Examination support materials

Re-sit examination
At the next ordinary exam. When course evaluation consists of process elements, the whole course must me re-evaluated when a student wants to retake a exam.

Additional information