

Syllabus

1. Programme information

1.1. Institution	THE BUCHAREST UNIVERSITY OF ECONOMIC STUDIES
1.2. Faculty	BUCHAREST BUSINESS SCHOOL
1.3. Department	ECONOMIC DEVELOPMENT OF THE COMPANY
1.4. Field of study	BUSINESS ADMINISTRATION
1.5. Cycle of studies	MASTER STUDIES
1.6. Education type	FULL-TIME / PART-TIME
1.7. Study programme	INDE Romanian French MBA
1.8. Language of study	English
1.9. Academic year	2015-2016

2. Information on the discipline

2.1. Name	Corporate Finance								
2.2. Code									
2.3. Year of study	1	2.4. Semester	2	2.5. Type of	Exam	2.6. Status of the discipline	O	2.7. Number of ECTS credits	5
2.8. Leaders	C(C)								
	S(S)								

3. Estimated Total Time

3.1. Number of weeks	14,00		
3.2. Number of hours per week	3,00	of which	
		C(C)	2,00
		S(S)	1,00
3.3. Total hours from curriculum	42,00	of which	
		C(C)	28,00
		S(S)	14,00
3.4. Total hours of study per semester (ECTS*25)	125,00		
3.5. Total hours of individual study	83,00		
<i>Distribution of time for individual study</i>			
Study by the textbook, lecture notes, bibliography and student's own notes	35,00		
Additional documentation in the library, on specialized online platforms and in the field	10,00		
Preparation of seminars, labs, assignments, portfolios and essays	15,00		
Tutorials	15,00		
Examinations	5,00		
Other activities	3,00		

4. Prerequisites

4.1. of curriculum	NA
4.2. of competences	• A good knowledge of Microsoft Excel, Ewievs

5. Conditions

for the C(C)	Classrooms disposing of multimedia equipment and internet access
for the S(S)	Classrooms disposing of multimedia equipment and internet access

6. Acquired specific competences

PROFESSIONAL	C1	The analysis and evaluation of the business status, the estimation of perspectives, the identification of strengths and weaknesses, of business potential and of possible ways of action
PROFESSIONAL	C3	Formulation and substantiation of the policies and business strategies through joining specialized knowledge with experience
PROFESSIONAL	C4	Designing solutions and/or capitalization of opportunities regarding the achievement of objectives and performance criteria

7. Objectives of the discipline

7.1. General objective	<ul style="list-style-type: none"> Advanced use of the principles, methods, techniques and tools specific to financial management of the company in connection with its financial strategy, investment and financing policy.
7.2. Specific objectives	<ul style="list-style-type: none"> Building the skills for assessing company performance, its investment projects and the optimality of its capital structure; Building the skills for selecting the most efficient investment projects taking into account technical, economic and financial criteria. Building the skills for assessing company's risk, the opportunity cost of capital, for valuing the bonds and stocks.

8. Contents

8.1. C(C)		Teaching/Work methods	Recommendations for students
1	Corporate strategy, financial planning and company's business plan. Defining concepts related to corporate governance and its role in the company's management.	1 lecture. Active lecture, permanent interaction with the students. The lectures are using Power-Point support, Excel, Ewievs support and access to other multimedia resources.	It is recommended for the students to previously read the lecture support material in order to be able to interact during class.
2	The analysis and interpretation of the financial indicators from balance sheet, income and cash flow statements.	2 lectures. Active lecture, permanent interaction with the students. The lectures are using Power-Point support, Excel, Ewievs support and access to other multimedia resources	It is recommended for the students to previously read the lecture support material in order to be able to interact during class.
3	Financial Ratio Analysis. Valuation using multiples	2 lectures. Active lecture, permanent interaction with the students. The lectures are using Power-Point support, Excel, Ewievs support and access to other multimedia resources	It is recommended for the students to previously read the lecture support material in order to be able to interact during class.

4	Valuation of bonds and stock.	1 lecture. Active lecture, permanent interaction with the students. The lectures are using Power-Point support, Excel, Ewievs support and access to other multimedia resources	It is recommended for the students to previously read the lecture support material in order to be able to interact during class.
5	Financial management of current business activity. Working capital management.	0,5 lecture. Active lecture, permanent interaction with the students. The lectures are using Power-Point support, Excel, Ewievs support and access to other multimedia resources	It is recommended for the students to previously read the lecture support material in order to be able to interact during class.
6	Time value of money concepts. Present value, capital opportunity cost, perpetuities, annuities, real interest rate and inflation.	1 lecture. Active lecture, permanent interaction with the students. The lectures are using Power-Point support, Excel, Ewievs support and access to other multimedia resources.	It is recommended for the students to previously read the lecture support material in order to be able to interact during class.
7	Capital budgeting. Investment decision analysis: NPV, IRR and other selection criteria	1 lecture. Active lecture, permanent interaction with the students. The lectures are using Power-Point support, Excel, Ewievs support and access to other multimedia resources.	It is recommended for the students to previously read the lecture support material in order to be able to interact during class.
8	A comprehensive study of NPV application: initial investment expenditures, free cash-flows estimation and forecast, residual or terminal value, investment life vs forecasting period and discount rate	1,5 lectures. Active lecture, permanent interaction with the students. The lectures are using Power-Point support, Excel, Ewievs support and access to other multimedia resources	It is recommended for the students to previously read the lecture support material in order to be able to interact during class.
9	Estimation of the discount rate – comparative analysis of the models used in practice. Estimation of cost of equity - CAPM. Estimation of cost of invested capital -WACC.	1 lecture. Active lecture, permanent interaction with the students. The lectures are using Power-Point support, Excel, Ewievs support and access to other multimedia resources	It is recommended for the students to previously read the lecture support material in order to be able to interact during class.
10	Investment decision under uncertainty: sensitivity analysis, scenario analysis, break-even point analysis, Monte Carlo simulations, decision trees and real options	1,5 lectures. Active lecture, permanent interaction with the students. The lectures are using Power-Point support, Excel, Ewievs support and access to other multimedia resources	It is recommended for the students to previously read the lecture support material in order to be able to interact during class.
11	Financing decision analysis: adjusted NPV	0,5 lecture. Active lecture, permanent interaction with the students. The lectures are using Power-Point support, Excel, Ewievs support and access to other multimedia resources	It is recommended for the students to previously read the lecture support material in order to be able to interact during class.

12	Capital structure, leverage risk, risk of bankruptcy.	1 lecture. Active lecture, permanent interaction with the students. The lectures are using Power-Point support, Excel, Ewiefs support and access to other multimedia resources	It is recommended for the students to previously read the lecture support material in order to be able to interact during class.
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Bibliography

Stancu I., Dumitra Stancu (2012), Finante corporative cu excel, Editura Economica, Bucuresti
 Brealey R., Myers S. (2003), Principles of corporate finance, The McGraw Hill Companies
 Damodaran, A. (2005), Applied Corporate Finance – A User’s Manual, 2nd ed., John Wiley & Sons
 Ross, S., R. Westerfield, J. Jaffe (2002) Corporate Finance, Irwin

8.2. S(S)		Teaching/Work methods	Recommendations for students
1	The analysis and interpretation of the financial indicators from balance sheet, income and cash flow statements. Ratio analysis.	Case study	Each project group works on their own case study (the company that was chosen for analysis)
2	Financial management of current business activity. Working capital management.	Case study	Each project group works on their own case study (the company that was chosen for analysis)
3	Present value, capital opportunity cost, perpetuities, annuities, real interest rate and inflation.	Application	The applications are selected from the course support material.
4	Computation and assessment of the selection criteria for investment projects: NPV, IRR, payback period and profitability index	Case study	Each project group works on their own case study (the company that was chosen for analysis)
5	Estimation of the discount rate – comparative analysis of the models used in practice. Estimation of cost of equity - CAPM. Estimation of cost of invested capital -WACC.	Case study	Each project group works on their own case study (the company that was chosen for analysis)
6	Sensitivity analysis, scenario analysis, break-even point analysis, Monte Carlo simulations, decision trees and real options for an investment project	Case study	Each project group works on their own case study (the company that was chosen for analysis)
7	Valuation of bonds and stock.	Case study	Each project group works on their own case study (the company that was chosen for analysis)

Bibliography

Stancu I., Dumitra Stancu (2012), Finante corporative cu excel, Editura Economica, Bucuresti
 Brealey R., Myers S. (2003), Principles of corporate finance, The McGraw Hill Companies
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9. Corroboration of the contents of the discipline with the expectations of the representatives of the epistemic community, of the professional associations and representative employers in the field associated with the programme

The content is identical with the curricula of the MBA program delivered by the partner university (CNAM) and consistent with the curricula of major MBA programs from all over the world.
In order to better adapt the content to labour market requirements, we deployed meetings with business representatives, business analysts and practitioners from the field, former students from both Romania and France.

10. Assessment

Type of activity	Assessment criteria	Assessment methods	Percentage in the final grade
10.2. S(S)	Seminar test - subjects including multiple choice and short problems that require the application of techniques and tools of financial analysis, capital budgeting, valuation of stocks and bonds	Written test	15%
10.3. S(S)	Group project (a project group has to have minimum two members and maximum four members)	Project	25%
10.5. Final evaluation	Exam test - subjects including problems that require the application of techniques and tools of financial analysis, capital budgeting, valuation of stocks and bonds	Written exam	60%
10.6. Modality of grading	Whole notes 1-10		
10.7. Minimum standard of performance	Present a project representing a company's investment analysis representing the applications of the knowledge gathered throughout the lectures and seminars.		

