

Course	BUSN 5200 - Basic Finance for Managers Spring 2, 2008
Instructor	Name: Denise Gorman Phone: 949-683-0792 Email: Denisegorman34@webster.edu
Catalog Description	Managers and human resources management professionals must be able to understand financial information contained in financial statements and reports. Line managers must be able understand financial information contained in financial statements and reports in order to evaluate their unit's financial performance, to communicate clearly with other managers, and to apply financial information when making decisions. Human resources management professionals must understand financial statements and principles if they are to effectively assist line managers and be strategic partners with other business functions. This course will focus on the interpretation and use of basic financial information by non-financial managers, not on the production of financial statements and reports. (FINC 5000 cannot be substituted for BUSN 5200.)
Prerequisites	NONE
Course Level Learning Outcomes	At the conclusion of the course, students should: <ol style="list-style-type: none"> 1. Be able to read and interpret internal and external financial reports and financial statements and understand how these would be used in all areas of business management; not just by the accounting and finance managers. 2. Be able to illustrate how using financial statements and reports can improve strategic planning and decision making, and thus improve organizational performance 3. Be able to use time value of money equations to solve problems, and explain how TVM is used for decision making. 4. Be able to discuss how accounting rules and principles (GAAP, FASB, depreciation, cash vs. accrual) impact corporate financial decisions and policies. 5. Be able to assemble pro-forma financial statements and their use in managerial decision making 6. Be able to discuss how financial monitoring systems are used to compare actual versus projected financial results. 7. Be able to effectively communicate with accounting and financial managers within their organization. 8. Be able to determine financial concepts and the principles of

	<p>costs, cost systems, cost allocations, activity-based costing, and financial performance measures</p> <ol style="list-style-type: none"> 9. Be able to explain cash flow and discuss its impact on organizational performance and decision making 10. Be able to use the concepts and processes taught to develop budgets and discuss their influence on managerial decision making 11. Be able to discuss the ethical decisions relating to finance and financial statements, particularly as this relates to publicly-held corporations. 												
Materials	<p>Text: Principles of Managerial Finance (Brief Edition) 4th Ed Authors: Gitman, Lawrence J., Publishers: Addison-Wesley (Pearson) ISBN: 0321478924</p>												
Grading	<p>Exams: There will be one mid-term and one final exam. Dates for the exams are noted below. Given the field of Finance – course material builds on previous material covered in class; therefore exams may be cumulative in nature. Exams will be weighted as noted below.</p> <p>Course Project: Students will be individually assigned a firm analysis to complete by the end of the term.</p> <p>Participation: Students are expected to attend class and to participate fully in all aspects of class discussion.</p> <p>Make-up Exams: No make-up exams will be given without prior consent of the instructor. It is the student’s responsibility to contact the instructor prior to scheduled exam for consent.</p> <table border="1" data-bbox="610 1266 1008 1503" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="2" style="background-color: #cccccc;">Weight</th> </tr> </thead> <tbody> <tr> <td>Mid-term</td> <td>20%</td> </tr> <tr> <td>Final</td> <td>35%</td> </tr> <tr> <td>Course Project</td> <td>30%</td> </tr> <tr> <td>Participation</td> <td>15%</td> </tr> <tr> <td>Total</td> <td>100%</td> </tr> </tbody> </table>	Weight		Mid-term	20%	Final	35%	Course Project	30%	Participation	15%	Total	100%
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Activities	<p>The course contains activities to enhance the student’s understanding of:</p> <ul style="list-style-type: none"> • Finance and accounting • The nature of financial statements and reports • Integrating and analyzing financial statements and reports • Performance measures (how to measure the cost and profitability of a product or activity) and financial ratios • The concept and principles of “cash flow” • The concept of the “time value of money” and its application in decision making 												

	<ul style="list-style-type: none"> • Capital budgeting models • The budgeting process (preparation and analysis) • The preparation and analysis of “pro forma” financial statements • “Costing systems” and how they are used in department and corporate operations and strategic planning • Current financial, accounting, and management articles.
<p>Policy Statements: University Policies</p>	<p>University policies are provided in the current course catalog and course schedules. They are also available on the university website. This class is governed by the university’s published policies. The following policies are of particular interest:</p> <p>Academic Honesty</p> <p>The university is committed to high standards of academic honesty. Students will be held responsible for violations of these standards. Please refer to the university’s academic honesty policies for a definition of academic dishonesty and potential disciplinary actions associated with it.</p> <p>Drops and Withdrawals</p> <p>Please be aware that, should you choose to drop or withdraw from this course, the date on which you notify the university of your decision will determine the amount of tuition refund you receive. Please refer to the university policies on drops and withdrawals (published elsewhere) to find out what the deadlines are for dropping a course with a full refund and for withdrawing from a course with a partial refund.</p> <p>Special Services</p> <p>If you have registered as a student with a documented disability and are entitled to classroom or testing accommodations, please inform the instructor at the beginning of the course of the accommodations you will require in this class so that these can be provided.</p> <p>Disturbances</p> <p>Since every student is entitled to full participation in class without interruption, disruption of class by inconsiderate behavior is not acceptable. Students are expected to treat the instructor and other students with dignity and respect, especially in cases where a diversity of opinion arises. Students who engage in disruptive behavior are subject to disciplinary action, including removal from the course</p>
<p>Course Policies</p>	<p>Students will need calculators (with PV and Fv value functions) for in-class work, as well as assignments and exams.</p>
<p>Week 1</p>	<p>Topics:</p> <ul style="list-style-type: none"> • What is the role of finance in business? • Introduction to Accounting and Finance

	<ul style="list-style-type: none"> • How does understanding finance benefit non-financial managers? • Financial Statements Overview <ul style="list-style-type: none"> ◦ Balance Sheet, Income Statement, Cash Flow, Others <p>Chapters One and Two in Text</p>
Week 2	<p>Topics:</p> <ul style="list-style-type: none"> • Cash Flow and Financial Planning <p>Chapter Three in Text</p>
Week 3	<p>Topics:</p> <ul style="list-style-type: none"> • Time Value of Money <p>Chapter Four in Text</p>
Week 4	<p>Topics:</p> <ul style="list-style-type: none"> • Time Value of Money (continued) • Interest Rates • Review for Midterm Examination <p>Chapter Six (partial)</p>
Week 5	<p>Topics:</p> <ul style="list-style-type: none"> • Mid-term Exam • Capital Budgeting Cash Flows <p>Chapter Eight</p>
Week 6	<p>Topics:</p> <ul style="list-style-type: none"> • Capital Budgeting and ROI • How does capital budgeting apply when making decisions on human capital resources? (class discussion) <p>Chapters Eight, continued, and Nine, along with outside materials to discuss lease versus buy of employees (subcontracting work versus using full-time human resources), and other human-capital-related types of decisions that firms must make.</p>

Week 7	Topics: <ul style="list-style-type: none">• Short –Term Financial Decisions Chapter Thirteen
Week 8	<ul style="list-style-type: none">• Work on final project – Analysis of Firm• Review for Final Exam
Week 9	Topics: <ul style="list-style-type: none">• Final Exam Written Course Project Due