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| Course | BUSN 5200 Basic Finance for Managers |
| Term | Fall I 2009 |
| Instructor | Name: Dennis Shannon Phone: (618) 235-2700 extension 5380 Email: shannon@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 be able to: <ol style="list-style-type: none"> 1. Read and interpret internal and external financial reports and financial statements. 2. Discuss how using financial statements and reports can improve strategic planning and decision making, and thus improve organizational performance 3. Use time value of money (TVM) equations to solve problems, and explain how TVM is used for decision making. 4. Identify important accounting rules and principles (GAAP, FASB, depreciation, cash vs. accrual) and discuss how they impact corporate financial decisions and policies. 5. Construct pro-forma financial statements and their use in managerial decision making 6. Explain the concept of cash flow and discuss its impact on organizational performance and decision making 7. Use the concepts and processes taught to develop budgets and discuss their influence on managerial decision making 8. Discuss the ethical decisions relating to finance and financial statements, particularly as this relates to publicly-held corporations. |
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| Materials | <ul style="list-style-type: none"> • <u>Foundations of Finance: The Logic and Practice of Financial Management</u> by Keown, Martin, Petty, and Scott, Jr. Pearson Prentice Hall Publishers; 6th edition, 2008 • On-line text supplements |
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| Grading | Activity | Possible points | Course grade | Total points |
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| | Quizzes | 120 | A | 1000 - 930 |
| | Midterm exam | 350 | A- | 929 - 900 |
| | Final exam | 400 | B+ | 899 - 870 |
| | Company analysis | 100 | B | 869 - 830 |
| | Participation | 30 | B- | 829 - 800 |
| | Total | <u>1,000</u> | C | 799 - 700 |

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| University Policies | <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 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 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> |
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| <p>University Policies</p> | <p>Special Services 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 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>Student Assignments Retained From time to time, student assignments or projects will be retained by The Department for the purpose of academic assessment. In every case, should the assignment or project be shared outside the academic Department, the student's name and all identifying information about that student will be redacted from the assignment or project.</p> <p>Contact Hours for this Course It is essential that all classes meet for the full instructional time as scheduled. A class cannot be shortened in length. If a class session is cancelled for any reason, it must be rescheduled.</p> |
| <p>Course policies</p> | <ul style="list-style-type: none"> • No make-up quizzes offered. However potential points from missed quizzes will increase the value of the next exam. • Successful students are expected to exhibit: <ul style="list-style-type: none"> ✓ good communication skills, both written and oral; ✓ basic computational skills (elementary algebra); ✓ professional attitude and pride in workmanship; ✓ willingness to contribute to a positive learning experience. |

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| Weekly Schedule | <p><u>Session 1 August 19th</u></p> <ul style="list-style-type: none"> • Discussion of syllabus • Course introduction • <u>Chapter 1</u> Intro to Financial Management Foundations <ul style="list-style-type: none"> ✓ peruse questions & problems pages 26 - 29 • <u>Chapter 2</u> Financial Markets & Interest Rates <ul style="list-style-type: none"> ✓ peruse questions & problems pages 58 - 59 |
| | <p><u>Session 2 August 26th</u></p> <ul style="list-style-type: none"> • Quiz #1 • <u>Chapter 3</u> Understanding Financial Statements & Cash Flows <ul style="list-style-type: none"> ✓ peruse questions & problems pages 83 - 89 • <u>Chapter 4</u> Evaluating a Firm's Financial Performance <ul style="list-style-type: none"> ✓ peruse questions & problems pages 120 - 127 |
| | <p><u>Session 3 September 2nd</u></p> <ul style="list-style-type: none"> • Quiz #2 • <u>Chapter 5</u> The Time Value of Money <ul style="list-style-type: none"> ✓ peruse questions & problems pages 161 - 169 • <u>Chapter 7</u> Valuation and Characteristics of Bonds <ul style="list-style-type: none"> ✓ peruse questions & problems pages 223 - 227 |

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| Weekly Schedule | <u>Session 4 September 9th</u> <ul style="list-style-type: none"> • Quiz #3 • Midterm preview chapters 1 - 5 & 7 • <u>Chapter 8</u> Valuation and Characteristics of Stock <ul style="list-style-type: none"> ✓ peruse questions & problems pages 251 - 255 |
| | <u>Session 5 September 16th</u> <ul style="list-style-type: none"> • Midterm exam • <u>Chapter 9</u> Capital Budgeting Techniques and Practice <ul style="list-style-type: none"> ✓ peruse questions & problems pages 288 - 295 |
| | <u>Session 6 September 23rd</u> <ul style="list-style-type: none"> • Midterm results • Quiz #4 • <u>Chapter 11</u> Cost of Capital <ul style="list-style-type: none"> ✓ peruse questions & problems pages 362 - 371 |
| | <u>Session 7 September 30th</u> <ul style="list-style-type: none"> • Quiz #5 • <u>Chapter 12</u> Determining the Financing Mix <ul style="list-style-type: none"> ✓ peruse questions & problems pages 407 - 413 |
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| Weekly Schedule | <p><u>Session 8 October 7th</u></p> <ul style="list-style-type: none"> • Quiz #6 • Final exam preview <ul style="list-style-type: none"> ✓ Chapters 8, 9, 11, 12, & 14 plus session 8's lecture • Chapter 14 Short-Term Financial Planning <ul style="list-style-type: none"> ✓ peruse questions & problems pages 450 - 459 • lecture on Mergers and Acquisitions <p><u>Session 9 October 14th</u></p> <ul style="list-style-type: none"> • Final exam • Chapters 8, 9, 11, 12, & 14 plus mergers and acquisitions |
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