

30620 - Financial Management

Syllabus Information

Academic year: 2023/24

Subject: 30620 - Financial Management

Faculty / School: 109 - Facultad de Economía y Empresa

Degree: 432 - Joint Law - Business Administration and Management Programme

ECTS: 6.0

Year: 4

Semester: Second semester

Subject type: Compulsory

Module:

1. General information

The main goal of this subject is for the student to learn the basic fundamentals of investment and financing of the company. It offers a strategic and global vision of the economic-financial area of the company that allows to face adequately the decision making process, with the support of the appropriate tools. Special emphasis will be placed on the valuation and selection of investment projects in both certainty and risk environments.

These approaches and goals are aligned with the Sustainable Development Goals (SDGs) of the 2030 Agenda of the United Nations (<https://www.un.org/sustainabledevelopment/es/>), in particular, the activities planned in the subject will contribute to the achievement of objective 4.3 of Goal 4, objective 8.10 of Goal 8 and objective 9.4 of Goal 9.

2. Learning results

- Analyze and evaluate different investment projects.
- Make decisions regarding these investment projects in both certainty and risk environments.
- Assess the impact of taxes and inflation on different investment projects.
- Make decisions about the composition and efficiency in the management of a portfolio.
- Analyze the financial structure and the different financial sources of a company, using different tools.
- Analyze financial aspects and policies directly or indirectly related to the financial structure

3. Syllabus

UNIT 1 - INTRODUCTION TO THE FINANCIAL MANAGEMENT OF THE COMPANY.

BLOCK I. INVESTMENT PROJECTS.

UNIT 2.- COMPANY AND INVESTMENT.

UNIT 3 - INVESTMENT DECISIONS IN A CERTAINTY ENVIRONMENT (I). UNIQUE PROJECT.

UNIT 4 - INVESTMENT DECISIONS IN A CERTAINTY ENVIRONMENT (II). SET OF PROJECTS.

UNIT 5 - THE EFFECT OF TAXES AND INFLATION ON THE CHOICE OF INVESTMENTS.

UNIT 6 - INVESTMENT DECISIONS IN A RISKY ENVIRONMENT.

UNIT 7 - SEQUENTIAL DECISIONS.

UNIT 8.- THE COST OF CAPITAL.

BLOCK II. FINANCIAL INVESTMENTS.

UNIT 9.- MARKOWITZ MODEL.

UNIT 10.- SHARPE MODEL.

UNIT 11.- C.A.P.M. AND A.P.T. MODELS.

4. Academic activities

-Master classes: 28 hours

Participative lectures in which the contents of the course will be explained, encouraging the active participation of the students. Talks and/or lectures by professionals (up to 2 hours) may be included.

- Practical classes: 24 hours

Weekly problem solving sessions and case studies using spreadsheets.

- Classes dedicated to group work: 6 hours

Two sessions in which the groups will make partial presentations of the work. A session dedicated to the oral presentation of the work.

- Personal study and elaboration of the work: 88 hours
- Assessment tests: 4h (two tests, one during class time and the other on the days set aside at the end of the school term)

5. Assessment system

The course will be assessed by continuous or global assessment in the first call and exclusively by global evaluation during the second call.

Continuous assessment

It consists of two written tests and a group work:

- Test 1: corresponding to Block I (30% of the grade).
- Test 2: corresponding to Block II (40% of the grade).

They are structured in two parts, one of theoretical and theoretical-practical questions and the other of problems, with a weight of 5 points out of 10 for each part.

- Group work: feasibility analysis of an investment project (30% of the grade).

To pass the subject by continuous assessment it is necessary to obtain at least a 4 out of 10 in each of the three items, and at least a 5 out of 10 in the weighted average.

Global assessment.

On the first call, students who do not follow the continuous assessment, do not pass the subject by continuous assessment or wish to improve the mark obtained in the continuous assessment may take a global assessment consisting of a single final written exam structured in two parts, one of theoretical and theoretical-practical questions, and another of problems, with a weight of 5 points out of 10 each. It is possible to keep the score of the group work if it improves the grade obtained in the exam, in which case the work represents 30% of the final grade and the remaining 70% corresponds to the grade of the test. A minimum of 4 out of 10 on the exam and at least a 5 out of 10 on the final grade is required to pass. In the case that the student submits a global assessment to improve the grade obtained in the continuous assessment, the better of the two grades will prevail.

In the second call, the global assessment will be carried out only by means of a final written test in which it will be necessary to obtain at least a 5 out of 10 to pass the subject.

Assessment criteria:

- Written tests: mastery of contents, use of terminology, accuracy of concepts, justification of arguments, correctness of procedures and results.
- Group work:
 - Analysis: complexity of the project, rigor in the use of the analysis tools, correctness of the calculations, approach and justification of the hypotheses.
 - Written report: correctness in writing, use of terminology, absence of spelling mistakes, correct structure.

Oral presentation: use of appropriate terminology, correct support material, time limit, response to questions raised questions posed