

Principles of Managerial Finance

FIN 340
Fall 2009
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Course Description

Managerial Finance develops students as active financial analysts, planners and decision-makers at the operating and strategy setting levels. Applying their Accounting and Economics knowledge, students address financial analysis, capital budgeting, long term financing and working capital management—all with the aim of maximizing resource efficiency and effectiveness. This course considers the financial consequences of marketing and management decisions, and emphasizes increased market globalization and online information access. Students are strongly urged to take Macroeconomics before or with Managerial Finance.

Course Prerequisites: Accounting Principles II and Introductory Statistics

Text: *Foundations of Financial Management*, 12/e, Block and Hirt, McGraw Hill (2008), ISBN 0073295817. Used texts of the same edition are fine, for we will access our own financial resources using E-College.

Required Materials

Bring a financial calculator to every class; the Texas Instrument BA II is affordable. Also, TI-83 and its cousins work well too. Along with a word processor and spreadsheet, you need Internet access. Let me know if your software is not compatible with Word and Excel.

Course Objectives and Program Learning Outcomes

1. To think and **communicate** as financial managers do.
2. To better **analyze** and interpret accounting information, also to enable you to confidently apply several financial management tools and techniques.

3. To develop an **integrated** view of firms by better comprehending how:
- Finance, Marketing and Operations interrelate
 - World markets and global competitors affect the firm's finances
 - Corporate policies guide and strategies drive financial decision-making

FIN 340 does not currently formally assess but does address four of the five BAM Learning Outcomes. Creativity is the exception:

- Communication—ability to express ideas in writing, verbally and visually
- Creativity—ability to develop original ideas or use common solutions in uncommon ways
- Analytical ability—effectively separate a complex problem or situation into its component parts in order to identify solutions
- Integrative thinking—ability to detect interrelationships among components parts and assess their importance in creating solutions

Course Grading

Exams (3)	300	A= 91%
Best Exam	100	B= 81%
Project I	100	C= 71%
Projects II and III	240	D= 61%
Group Portfolio Performance	60	
Total.....	800	

Course Methods

Courseware

If you have not already, you will receive your user name, pass word and log-in instructions for e-College at www.sienaonline.org. Look for the weekly study guides. Your tests and projects are built from these guides.

Text

Thoroughly study your text and work the assigned problems before every class, so that class work and discussion magnifies and reinforces your learning. For exams, you then need only to review. You will also rely on your text as a reference for your three papers.

Exams

Are closed book and without notes. They include true-false, multiple guess and matching term questions taken directly from your text. You will also have problems similar to those worked in class. You will have a set of unidentified formulas for reference, testing your ability to recognize and apply rather than memorize.

Projects

You will each have your own assigned public corporation and apply your financial analysis tools, concepts and ratios to your firm. These reports are typed and include spreadsheets. For illustration purposes, the class will adopt a corporation as our own. Your final project will determine the valuation, not the price, of a rental property that you select.

Work on your reports throughout the 14 day assignment period.

These assignments bridge Managerial Finance to Strategic Management and Financial Statement Analysis.

Project I—Long Term Financing

Project II—Capital Budgeting

Project III—Working Capital Management

Stock Portfolio

You and your team will construct and manage a portfolio of your assigned corporations, evaluating both individual and combined investment return and risk characteristics. Your grade depends on your performance relative to classmate and select market indexes.

Academic Accommodations

If you need an accommodation based on your disability's impact, contact me to for an appointment. At the appointment we can discuss the course format, anticipate your needs and explore potential accommodations. I rely on the Office for Students with Disabilities for assistance in verifying the need for accommodations and developing accommodation strategies. If you have not previously registered with the Office for Students with Disabilities, I encourage you to do so. Just a reminder, requests for accommodations are not retroactive.

Course Rules

- Initiative Contact me as soon as you experience any problems. I can help. *These rules are designed to prevent arbitrary decisions on my part and unfair advantages to other students, as well as preventing you from falling too far behind—affecting this and all of your courses.*
- Make Ups You can take your exam within 7 days provided you notify me promptly and your reasons are valid. However, make up exams will not be curved and may differ from the original.
- Your Report Reports are due in class, at the beginning of class, on date assigned. Late reports are accepted up to 168 hours late and are graded on a 0-85% scale. Afterwards you earn a zero grade.
- Only typewritten reports will be accepted. Writing quality can affect your overall grade by as much as two-thirds of a letter grade. For example a straight B could range from C+ to A-.
- Participation Attend 100% of the class time preceding an exam and you can substitute an assigned question or problem for an exam question or problem of equal value. As bonus, they can only help your grade. Please do not ask for excused absences, alternative assignments for bonus; or credit for partial sessions.
- Cheating Unfairly use the work of another on a test or a project and the first offense is a grade of zero, the second offense is failing the course. Please see the current Undergraduate Catalog for my responsibilities and further consequences to you should you cheat. For example, I am required to report all instances of academic dishonesty to the Academic Dean.