



FINANCIAL MANAGEMENT

IFSA-Butler Reimagining Europe Semester Program in Prague

Suggested US semester credit hours: 4 credits

Contact Hours: 60

Course Level: 300

IFSA-Butler course code: MG380-18

Course length: Semester

Delivery method: Face to face

Language of Instruction: English

COURSE DESCRIPTION

The aim of this course is to provide learners with an understanding of where and how to access sources of finance for a business and the skills to use financial information for decision making. Students will learn how to evaluate these different sources and compare how they are used. They will learn how financial information is recorded and how to use this information to make decisions (i.e. for planning and budgeting). Decisions relating to pricing and investment appraisal are also considered within the unit and students will learn and apply techniques used to evaluate financial performance. Students will consider the importance of maximizing shareholder wealth and long term growth. Students will also develop an appreciation of the role of a management accountant within a financial management system. On successful completion of this unit, students will be in a position to contribute effectively to the financial management function of an organization. They will be able to support senior management accountants in reaching decisions which will impact the financial performance of an organization. In addition, they will have the fundamental knowledge and skills of financial management to progress onto a higher level of study.

STUDENT LEARNING OBJECTIVES

Students who successfully complete this course will:

- Apply different approaches used to support effective decision-making
- Understand the sources of finance available to a business.
- Understand the implications of finance as a resource within a business.
- Analyze financial management principles which are used to support effective financial strategies
- Evaluate the role of management accountants and accounting control systems
- Evaluate ways in which financial decision-making supports sustainable performance
- Strengthen critical thinking skills

- Become familiar with resources available for further research on financial management
- Make cognitive connections between learning in this course and other learning experiences in the IFSA-Butler Reimagining Europe Semester Program in Prague

COURSE DELIVERY

Students are expected to read or view resources in advance and be prepared to actively discuss them in class. In each meeting, the instructor will overview the topic and then facilitate a group discussion, drawing out relevant themes, following up on specific lines of inquiry, and prompting students' thoughtful engagement with the topic. Students are encouraged to bring their prior learning experiences into class discussions and to make cognitive connections between this course and others in the IFSA-Butler Reimagining Europe Semester Program in Prague whenever possible. Theories of experiential learning and integrative learning therefore undergird the dynamic learning environment of this course.

This course utilizes an interactive approach to teaching that focuses on the individual student's needs. This approach to teaching and learning aims to foster a challenging but caring environment that allows students to explore, create, and test themselves and their ideas in a safe place.

COURSE SCHEDULE

Weeks	Content Delivery
1 - 3	<p>Apply different approaches used to support effective decision-making</p> <p>Range of sources: sources for different businesses; long term such as share capital; retained earnings; loans; third-party investment; short/medium term such as hire purchase and leasing; working capital stock control; cash management; debtor factoring.</p> <p>Implications of choices: legal, financial and dilution of control implications; bankruptcy Choosing a source: advantages and disadvantages of different sources; suitability for purpose eg matching of term of finance to term of project</p>
4 - 6	<p>Analyze financial management principles which are used to support effective financial strategies</p> <p>Finance costs: tangible costs eg interest, dividends; opportunity costs eg loss of alternative projects when using retained earnings; tax effects.</p> <p>Financial planning: the need to identify shortages and surpluses eg cash budgeting; implications of failure to finance adequately; overtrading.</p> <p>Decision making: information needs of different decision makers</p>

	<p>Accounting for finance: how different types of finance and their costs appear in the financial statements of a business; the interaction of assets and liabilities on the balance sheet and on international equivalents under the International Accounting Standards (IAS)</p> <p>Written Report</p>
7 - 9	<p>Evaluate the role of management accountants and accounting control systems</p> <p>Budgeting decisions: analysis and monitoring of cash and other budgets Costing and pricing decisions: calculation of unit costs, use within pricing decisions; sensitivity analysis.</p> <p>Investment appraisal: payback period; accounting rate of return; discounted cash flow techniques ie net present value; internal rate of return.</p> <p>Nature of long-term decisions: nature of investment importance of true value of money; cash flow; assumptions in capital investment decisions; advantages and disadvantages of each method</p>
10 -15	<p>Evaluate ways in which financial decision-making supports sustainable performance</p> <p>Terminology: introduction to debit, credit, books of prime entry, accounts and ledgers, trial balance, final accounts and international equivalents under the International Accounting Standards (IAS).</p> <p>Financial statements: basic form, structure and purpose of main financial statements ie balance sheet, profit and loss account, cash flow statement, notes, preparation not required; changes to reporting requirements under the International Accounting Standards (IAS) eg statement of comprehensive income, statement of financial position; distinctions between different types of business ie limited company, partnership, sole trader.</p> <p>Interpretation: use of key accounting ratios for profitability, liquidity, efficiency and investment; comparison both external ie other companies, industry standards and internal ie previous periods, budgets.</p> <p>Individual Presentation</p>

EVALUATION METHODS

The course instructor will determine specific assignments (including paper topics), projects, and exams for the course. Your work on individual assignments and projects will be guided by grading rubrics provided by the course instructor. Your final grade in the course will be arrived at through assessment methods determined by the course instructor and according to the percentages attached to each assignment and exam by the course instructor. Participation will constitute a determined percentage of your grade. Participation includes attendance, preparation, engagement in discussion, civility, and respect.

Assignment Number	Type of Assignment	Description and Areas Assessed
1	Written Report	Material covered during weeks 1 to 6
2	Individual presentation	Material covered during weeks 7 to 12 based on selected organization

Timely Submissions

Assignments submitted after the deadline will be accepted at the discretion of the course instructor and generally only in the event of a documented illness or emergency.

ACADEMIC INTEGRITY

Any academic endeavor must be based upon a foundation of honesty and integrity. Students are expected to abide by principles of academic integrity and must be willing to bear individual responsibility for their work while studying abroad. Any academic work (written or otherwise) submitted to fulfill an academic requirement must represent a student's original work. Any act of academic misconduct, such as cheating, fabrication, forgery, plagiarism, or facilitating academic dishonesty, will subject a student to disciplinary action.

IFSA-Butler takes academic integrity very seriously. Students must not accept outside assistance without permission from the instructor. Additionally, students must document all sources according to the instructions of the professor. Should your instructor suspect you of plagiarism, cheating, or other forms of academic dishonesty, you may receive a failing grade for the course and disciplinary action may result. The incident will be reported to the IFSA-Butler resident director as well as your home institution.