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# JINAN UNIVERSITY

## Financial Management

**Lecturer:** TBA

**Time:** Monday through Friday(June 17, 2019-July 19, 2019)

**Office hours:** 2 hours (according to the teaching schedule)

**Contact Hours:** 60 (50mins each)

**Credits:** 4

**Location:** MBA Center

**Office:** MBA Center 107

**E-mail:** TBA

### Course Description

Students will use various techniques to assess alternative investment opportunities and different financing methods. Specialized skills in corporate financial management are developed through the application of techniques such as the discounted cash flow model, capital structure model, dividend valuation model, capital asset pricing model, and option pricing models. Areas covered included working capital management, capital budgeting, capital structure and agency conflicts, and dividend payout policy.

### Required Textbook

Robert Higgins, Analysis for Financial Management, McGraw-Hill Higher Education, 11<sup>th</sup> edition, 2015. ISBN: 9780077861780, 0077861787

### Course Hours

The course has 25 sessions in total. Each class session is 120 minutes in length. The course meets from Monday to Friday.

### Grading Policy

Quizzes (4 quiz)	20%
Exams (2 exams)	60%
How the Market Works	15%
Attendance and Participation	5 %

#### Quizzes:

For this five-week course, there will be a Quiz on the Monday of each week commencing in Week 2.

Each Quiz is worth 5%.

Exams: Exam 1 will be held on the Friday of Week 3. Exam 2 will be held on the Friday of Week 5. Each Exam is worth 30%.

#### How the Market Works:

Throughout the course, students will take part in a simulation using the [HowtheMarketswork.com](http://HowtheMarketswork.com) website. Students will be given a notional \$100,000 to invest as they please in the stock market. Students will be asked to report their positions, gains and losses, on a weekly basis. This stock market game will be the crux of our practical application of theory throughout the course.

#### Attendance and Participation:

You are expected to attend every class. You are allowed one unexcused absence without penalty. Students will be asked to drop the course if you they miss more than three (3) class periods with unexcused reasons. I encourage all of you to participate in class lectures and discussions and raise questions concerning the understanding of lectures. I will credit your final grade according to my general impression of your participation and your attendance.

### Grading Scale

The instructor will use the grading system as applied by JNU:

Definition	Letter Grade	Score
Excellent	A	90-100
Good	B	80-89
Satisfactory	C	70-79
Poor	D	60-69
Failed	E	Below 60

## Course Schedule

DATE	CHAPTER
Week 1:	<ul style="list-style-type: none"> <li>• Introduction</li> <li>• Interpreting Financial Statements (Chapter 1)</li> <li>• Evaluating Financial Performance (Chapter 2)</li> </ul>
Week 2:	<ul style="list-style-type: none"> <li>• Financial Forecasting (Chapter 3)</li> <li>• Managing Growth (Chapter 4)</li> </ul>
Week 3:	<ul style="list-style-type: none"> <li>• Financial Instruments and Markets (Chapter 5)</li> <li>• The Financing Decision (Chapter 6)</li> </ul>
Week 4:	<ul style="list-style-type: none"> <li>• Discounted Cash Flow Techniques (Chapter 7)</li> <li>• Risk Analysis in Investment Decisions (Chapter 8)</li> </ul>
Week 5:	<ul style="list-style-type: none"> <li>• Business Valuation and Corporate Restructuring (Chapter 9)</li> </ul>

## References and Recommended Readings

- Brealey, R. A., Myers, S. C., and F. Allen, 2007, Principles of Corporate Finance, 10th edition, McGraw-Hill
- Financial Management: Theory and Practice (12th Edition), Eugene F. Brigham and Michael C. Ehrhardt, Thompson/South-Western, 2008, ISBN: 0-324-42269-5.
- Ross, Stephen, Westerfield, Randolph and Jordan Bradford, Fundamentals of Corporate Finance, Irwin McGraw-Hill, latest edition
- Brigham & Houston, Fundamentals of Financial Management, Thomson 10th Edition, A Random Walk Down Wall Street, Burton G. Malkiel, WW Norton & Company, Inc., New York, 1999, ISBN: 0-393-04781-4
- Barbarians at the Gate: The Fall of RJR Nabisco, Bryan Burrough and John Helyar, HarperCollins, New York, 1991, ISBN: 0-06-016172-8.
- Beating the Street, Peter Lynch (with John Rothchild), Simon & Schuster, Inc., New York, 1993, ISBN: 0-671-75915-9.
- Big Deal: 2000 and Beyond, Bruce Wasserman, Warner Books, New York, 2000, ISBN: 0-446-52642-8.

## Academic Honesty

Jinan University defines academic misconduct as any act by a student that misrepresents the students' own academic work or that compromises the academic work of another scholastic misconduct includes (but is not limited to) cheating on assignments or examinations; plagiarizing, i.e. misrepresenting as one's own work any work done by another; submitting the same paper, or substantially similar papers, to meet the requirements of more than one course without the approval and consent of the instructors concerned; sabotaging another's work within these general definitions,

however, Instructors determine what constitutes academic misconduct in the courses they teach. Students found guilty of academic misconduct in any portion of the academic work face penalties ranging from lowering of their course grade to awarding a grade of E for the entire course.