

CHAMINADE UNIVERSITY

Managerial Finance (MBA 611) Fall 2010

INSTRUCTOR: Dr. Gholam Khaleghi
OFFICE HOURS: By Appointment

Monday @ 5:45pm
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COURSE DESCRIPTION

Managerial finance will start with an introduction to the goals and objectives of the firms within the travel industry, considering the role of the financial manager. Then, focus will be on the development of the valuation theory, including a comprehensive treatment of time value of money concepts, the traditional and state-of-the-art valuation techniques of securities, and risk-return analysis. Later, we review the structure and functioning of the publicly traded firms in various industries and management strategies for financing business ventures and expansion. Emphasis will be placed on writing, problem-solving, critical thinking and abstract reasoning.

PREREQUISITES

Students enrolled in MBA 611 are assumed to have had MBA 510 and MBA 520 and are expected to have a good knowledge of basic algebra.

COURSE OBJECTIVES

Upon successful completion of this course, the student should be able to:

1. Define finance function and examine the goals of the firm.
2. Understand and apply basic time value methodology to general valuation and integrated cash flow applications in various industries.
3. Understand and apply the traditional and state-of-the-art techniques of capital budgeting analysis.
4. Discuss the time value of money and the calculations involved in finding the future value of various types of cash flows.
5. Understand the concept of present value and use of present value in determining the financial viability of proposed and existing business.
6. Explain the investment appeal of common stocks and why individuals like to invest in them.
7. Understand the current financial environment in which business decisions are made.
8. Demonstrate knowledge of the role that a company's future plays in the stock valuation process and develop a forecast of a stock's expected cash flow.
9. Examine the basic investment attributes of bonds and the appeal they hold as investment vehicles.

THE LEARNING SYSTEM

1. REQUIRED TEXT: “Principles of Managerial Finance” 12th Ed., By Lawrence J. Gitman, Publisher: Prentice Hall, Copyright: 2009.
2. Financial Times
3. Lecture Notes.
4. Reading Assignments From Other Books, Magazines, and Journals.

COURSE OUTLINE

Week	01	Review of the Syllabus Chapter 01 – The Role and Environment of Managerial Finance
Week	02	Chapter 02 – Financial Statements and Analysis Chapter 03 – Cash Flow and Financial Planning
Week	03	Exam I Chapter 04 – Time Value of Money
Week	04	Chapter 05 – Risk and Return Chapter 06 – Interest Rates and Bond Valuation
Week	05	Exam II Chapter 07 – Stock Valuation
Week	06	Chapter 08 – Capital Budgeting Cash Flows Chapter 09 – Capital Budgeting Techniques
Week	07	Chapter 10 – Risk and Refinements in Capital Budgeting Chapter 11 – The Cost of Capital
Week	08	Exam III Chapter 12 – Leverage and Capital Structure
Week	09	Chapter 13 – Dividend Policy Chapter 14 – Working Capital and Current Asset Management
Week	10	Exam IV Chapter 15 – Current Liabilities Management

Subject to change.

GRADING

GRADING PROGRESS RECORD

Total Possible Points	Your Points	Your Total Points
Class Attendance	10	_____
Class participation	10	_____
Exams		
Exam I	70	1. _____
Exam II	70	2. _____
Exam III	70	3. _____
Exam IV	70	4. _____
Total	<u>300</u>	=====

**Final grades will be based on the total points accumulated.
90-100A; 80-89B; 70-79=C; 60-69D; Less than 60=F.**

There will be no makeup exams or report. Grades of incomplete will not be given. Late homework assignments will be subject to penalty. Exams will be essay and/or multiple choice. Final exam will be cumulative.

Attendance is a vital part of your learning process in this course. Class activities and participation are mandatory. Students will be asked to outline and summarize selected chapters. Be prepared to answer questions and discuss issues whenever asked by the instructor. Students absent from class are responsible for all in-class work missed.

Final exam will be retained by the instructor, but may be reviewed in my office.