



**LUND**  
UNIVERSITY

School of Economics and Management

## **BUSN01, Business Administration: Corporate Finance and Value Management, 5 credits**

*Företagsekonomi: Finansiering och företagsvärdering, 5 högskolepoäng*

Second Cycle / Avancerad nivå

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### **Details of approval**

The syllabus was approved by Academic Director of Studies at Department of Business Administration on 2016-09-22 to be valid from 2016-09-22, spring semester 2017.

### **General Information**

BUSN01 is a course in Business Administration on the advanced level.

*Language of instruction:* English

*Main field of studies*

Business Administration

*Depth of study relative to the degree requirements*

A1N, Second cycle, has only first-cycle course/s as entry requirements

### **Learning outcomes**

A passing grade on the course will be awarded to students who:

#### **Knowledge and understanding**

- Have demonstrated knowledge of corporate valuation, especially of analyzing corporate performance, building a valuation model, calculation of the cost of capital, and testing, interpreting, and presenting the results of a valuation
- Have demonstrated knowledge of value creation, especially value drivers and measurement of creation of shareholder value

#### **Competence and skills**

- Have demonstrated ability to identify problems and situations where the theories learnt are applicable
- Can communicate the results, and their analyses and conclusions, of an empirical

This is a translation of the course syllabus approved in Swedish

investigation clearly and unambiguously

### **Judgement and approach**

- Have demonstrated ability to use theories and concepts to value companies and analyze corporate shareholder-value creation

### **Course content**

This course deals with capital budgeting and corporate valuation. The course will make students familiar with different earnings- and cash-flow-based present-value techniques for valuing companies and investments. Students will use financial statement data for business analysis and valuation. The ultimate test of corporate strategy is whether it creates economic value for shareholders. The course will make students familiar with different models for measuring value creation and will emphasize the relationships between economic value creation and corporate valuation. Relative valuation is also covered, a common valuation technique in which financial statements-based multiples are used to derive firm value. The course emphasizes developing students' skills in building advanced models for valuation in Excel.

### **Course design**

The course is conducted in the form of lectures, exercises, and case and assignment work. The course emphasizes applied learning, where participants learn to use the studied analysis techniques. To facilitate this, assignment work makes up an important part of the teaching and learning activities on the course. Lectures will cover parts of the course literature, with particular emphasis on the more challenging parts. This means that self-study of the course literature is essential and that the assigned readings are integral parts of the teaching and learning activities.

### **Assessment**

Assessment and grading are based on assignment work and a written examination covering all teaching and learning activities and all assigned readings. Since the course emphasizes problem solving, important parts of the examination is focused on you analyzing and solving corporate financial and governance problems.

*Subcourses that are part of this course can be found in an appendix at the end of this document.*

### **Grades**

Marking scale: Fail, E, D, C, B, A.

**Grade** (Definition) Points or % out of maximum points. Characteristic.

**A** (Excellent) 85-100. A distinguished result that is excellent with regard to theoretical depth, practical relevance, analytical ability and independent thought.

**B** (Very good) 75-84. A very good result with regard to theoretical depth, practical relevance, analytical ability and independent thought.

**C** (Good) 65-74. The result is of a good standard with regard to theoretical depth, practical relevance, analytical ability and independent thought and lives up to expectations.

**D** (Satisfactory) 55-64. The result is of a satisfactory standard with regard to theoretical depth, practical relevance, analytical ability and independent thought.

**E** (Sufficient) 50-54. The result satisfies the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought, but not more.

**F** (U) (Fail) 0-49. The result does not meet the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought.

Some occasional examination elements of the course may have the grading scale pass (D) / fail U(F).

*Plagiarism is considered to be a very serious academic offence. The University will take disciplinary actions against any kind of attempted malpractice in examinations and assessments. The penalty that may be imposed for this, and other improper practices in examinations or assessments, includes suspension from the University for a specific period of time.*

## **Entry requirements**

Students admitted to a Master Programme where this course is either a compulsory or elective part, are qualified for the course. For other students, at least 60 UCP or ECTS-cr in Business Administration is required. These must include a course in basic Business Administration (e.g. FEKA90 Business Administration: Introductory course in Business Administration).

## **Further information**

The course BUSN01 cannot be combined with the courses FEK546, FEK598, BUS862, BUSM31, BUSN82, BUSN87 and BUSN93 in a degree.

In case of closure of the course: Within three semesters after the course closure there will be offered three additional occasions for examination of respective examination part of the course, for students with no successful result. Note that after this you can get a certificate only regarding completed examination parts.

## Subcourses in BUSN01, Business Administration: Corporate Finance and Value Management

Applies from V17

1603 Corporate Finance and Value Management, 5,0 hp  
Grading scale: Fail, E, D, C, B, A