



LUND
UNIVERSITY

School of Economics and Management

BUSO81, Business Administration: Equity financing and governance, 7.5 credits

*Företagsekonomi: Equity financing and governance, 7,5
högskolepoäng*

Second Cycle / Avancerad nivå

Details of approval

The syllabus was approved by The Board of the Department of Business Administration on 2019-10-10 to be valid from 2019-10-10, autumn semester 2020.

General Information

Language of instruction: English

Main field of studies

Business Administration

Depth of study relative to the degree requirements

A1F, Second cycle, has second-cycle course/s as entry requirements

Learning outcomes

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

Knowledge and understanding

- demonstrate thorough knowledge of theoretical and practical views on various dimensions of the corporate financing issue;
- demonstrate understanding of governance challenges that arise in the context of corporate financing decisions;
- demonstrate understanding of how the effects of corporate financing decisions on firm outcomes can be evaluated using event study methodology.

Competence and skills

- demonstrate ability to apply theories and concepts to justify, recommend, and defend appropriate financing solutions;
- demonstrate ability to integrate theories learnt when analyzing and solving

corporate financing problems;
- clearly and unambiguously can present their analyses of and conclusions to corporate financing problems.

Judgement and approach

- demonstrate ability to use theories, concepts, and their independent judgment to analyze corporate financing problems;
- demonstrate ability to identify governance challenges that arise in the context of corporate financing decisions, and to use theories, concepts, and their independent judgment to evaluate these issues;
- demonstrate ability to use event study techniques to evaluate the impact of corporate financing related events on firm outcomes.

Course content

The main objective is to provide students with a rigorous and applied knowledge of corporate financing. The course consists of three modules. The first module deals with venture capital and private equity financing, and extends to raising funds from public markets through initial and seasoned public equity offerings. The second module looks at corporate governance issues that arise in the context of financing. The last module focuses on event study methodology, applied to topics from the first and second modules.

The course focuses on applied financial analysis. Through cases and assignments, the course gives students the opportunity to analyze complex and unstructured practical financing situations and problems. The idea is to put theory to work in complex situations, thereby gaining a deeper understanding of corporate financing tactics and strategies. The course offers a rich learning experience, by exposing students to a number of real-life situations and giving insight into a variety of financial decision-making problems.

Course design

The course is conducted in the form of lectures and case and assignment work. The course emphasizes applied learning, where participants learn to use the studied concepts, models, and 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

See appendix including examination sessions. (Will be attached to the curriculum automatically in the system).

Assessment and grading are based on assignment and casework. Since the course emphasizes applied learning, the examination is focused on participants employing the studied concepts, models, and analysis techniques.

The examiner, in consultation with Disability Support Services, may deviate from the regular form of examination in order to provide a permanently disabled student with a form of examination equivalent to that of a student without a disability.

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 90 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), a course in financial accounting, at least 15 UCP in corporate finance/financial management (e.g., FEKH81 Corporate Finance), a course in econometrics or statistics, and BUSO77 Corporate Financial Tactics and Strategy or equivalent graduate level course in corporate finance.

Further information

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 BUSO81, Business Administration: Equity financing and governance

Applies from H20

- 2001 Individual examination, 3,5 hp
Grading scale: Fail, E, D, C, B, A
- 2002 Team assignment, 4,0 hp
Grading scale: Fail, E, D, C, B, A