



School of Economics and Management

BUSN95, Business Administration: Corporate Financial Tactics and Strategy, 10 credits

Företagsekonomi: Företagsfinansiering, 10 högskolepoäng
Second Cycle / Avancerad nivå

Details of approval

The syllabus is an old version, approved by Academic Director of Studies at Department of Business Administration on 2016-06-02 and was valid from 2016-06-02, autumn semester 2016.

General Information

BUSN95 is a course in Business Administration at the advanced level.

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 thorough knowledge of corporate-finance theories and concepts, with particular emphasis on internal and external financing, distribution policies, and risk management
- Have demonstrated thorough knowledge of the current theoretical interpretations of the impact or non-impact of market imperfections on internal and external financing, distribution policies, and risk management
- Have demonstrated understanding of corporate financing and risk management, with particular emphasis on tactics and strategies of value-enhancing and integrated financing and risk management

Competence and skills

- Have demonstrated ability to identify problems and situations where the theories learnt are applicable
- Have demonstrated ability to apply theories, concepts, and relevant empirical evidence to justify, recommend, and defend appropriate financial policies and strategies for firms in different situations
- Have demonstrated ability to integrate theories learnt when analysing and solving corporate financial problems
- Can present their analyses and conclusions, clearly and unambiguously

Judgement and approach

- Have demonstrated ability to use theories, concepts, and their independent judgment to analyze corporate financing problems

Course content

The main objective of the course is to provide students with a rigorous and applied understanding of corporate financial policies, tactics, and strategies. The course provides an advanced, organized, and comprehensive discussion of theoretical and empirical research on corporate financial policies, tactics, and strategies. The course examines the constraints posed by market imperfections on value-maximizing financial decision making. Market inefficiencies covered include agency problems, information asymmetry, taxes, and financial distress. Financial policies covered include the importance of internal financing and the interaction between internal and external financing and risk management when financing investments in the face of financial constraints, contracting between a firm and its management and stakeholders, dividends and stock repurchases, financial distress and its resolution, and how to create value through risk management

The overarching idea of the course is the optimization of the corporate capital and risk structures through active capital and risk management. Equity and credit markets play vital roles in corporate financing and risk management, offering wide possibilities to tailor financing solutions to corporate needs. The course deals with corporate financing using equity, straight, hybrid, and structured fixed-income securities and insurance products.

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, exercises, and a written examination covering all teaching and learning activities and all assigned readings. Since the course emphasizes applied learning, important parts of the examination are focused on participants employing the studied analysis techniques.

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).

Students are also required to have successfully completed FEKH81 Corporate Finance or an equivalent advanced level undergraduate course in corporate finance.

Further information

The course BUSN94 cannot be combined with the courses BUS851, BUSM23, BUSM30, BUSM34, BUSN81, BUSN83, or BUSP62 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 BUSN95, Business Administration: Corporate Financial Tactics and Strategy

Applies from H16

- 1604 Written exam, 5,0 hp
Grading scale: Fail, Pass
- 1605 Securilization, 2,0 hp
Grading scale: Fail, Pass
- 1606 Lecturing, 2,0 hp
Grading scale: Fail, Pass
- 1607 Debt capacity, 1,0 hp
Grading scale: Fail, Pass