



LUND
UNIVERSITY

School of Economics and Management

BUSO87, Business Administration: Strategic Corporate Finance, 5 credits

Företagsekonomi: Strategic corporate finance, 5 högskolepoäng
Second Cycle / Avancerad nivå

Details of approval

The syllabus was approved by The Board of the Department of Business Administration on 2019-10-20 to be valid from 2019-10-20, autumn semester 2020.

General Information

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

- demonstrate thorough knowledge of corporate-finance theories and concepts, with particular emphasis on internal and external financing, distribution policies, and liquidity and risk management;
- demonstrate thorough knowledge of the current theoretical interpretations of the impact or non-impact of market imperfections on internal and external financing, distribution policies, and liquidity and risk management.

Competence and skills

- demonstrate ability to use theories, concepts, and their independent judgment to analyze and solve corporate financial problems;
- can present their analyses of corporate financial problems, clearly and unambiguously.

Judgement and approach

- demonstrate ability to identify problems and situations where the theories learnt are applicable;
- demonstrate ability to integrate theories learnt when analyzing and solving corporate financial problems.

Course content

The main objective of the course is to provide students with a rigorous and applied understanding of corporate financial decision-making. The course provides an advanced and comprehensive review of theoretical and empirical research on corporate financial decision-making. It, in particular, examines the constraints posed by market imperfections such as 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 liquidity and risk management.

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 analysis techniques. To facilitate this, case and assignment work makes up an important part of the teaching and learning activities on the course. Lectures emphasise the more challenging parts of the course literature. 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 case and assignment work and a written examination covering teaching and learning activities and assigned readings. Since the course emphasizes applied learning, important parts of the examination are focused on participants employing the studied 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.

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 corporate finance, and at least 15 UCP in financial accounting or management accounting and control (e.g. FEKH60 Financial and Management Accounting - Bachelor course).

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 BUSO87, Business Administration: Strategic Corporate
Finance

Applies from H20

2001 Examination, 5,0 hp
Grading scale: Fail, E, D, C, B, A