

BUSO94, Business Administration: Corporate Finance, 5 credits

Business Administration: 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 2017-05-22 and was last revised by Academic Director of Studies at Department of Business Administration on 2024-03-05. The revised syllabus comes into effect 2024-03-05 and is valid from the autumn semester 2024.

General information

BUSO94 is a course in Business Administration on advanced level.

Language of instruction: English

Main field of study *Specialisation*

Business Administration 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 nonimpact of market imperfections on internal and external financing, distribution policies, and risk management.

Competence and skills

- Have demonstrated ability to identify problems and situations where the theories learnt are applicable.

- 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 identify, analyze and solve 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 also provides students with an introduction to statistical techniques for analyzing empirical research in corporate finance.

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.

Course design

The course is conducted in the form of lectures and exercises. 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. Exercises are used to train students in analyzing empirical research.

Assessment

Assessment and grading are based on exercises, cases and a examination covering all teaching and learning activities and all assigned readings.

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.

Grades

Grading scale includes the grades: U=Fail, E=Sufficient, D=Satisfactory, C=Good, B=Very Good, A=Excellent

Grading scale includes the grades: 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 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 BUSO94 cannot be combined with the courses BUS851, BUSM23, BUSN30, BUSN34, BUSN81, BUSN83, BUSN92, BUSN95, 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.