



LUND
UNIVERSITY

School of Economics and Management

FEKH81, Business Administration: Corporate Finance, 7.5 credits

Business Administration: Corporate Finance, 7,5 högskolepoäng
First Cycle / Grundnivå

Details of approval

The syllabus was approved by Academic Director of Studies at Department of Business Administration on 2016-11-11 and was last revised on 2017-10-17. The revised syllabus applies from 2017-10-17, autumn semester 2017.

General Information

The course FEKH81 is a course on Business Administration at the ungraduated level.

Language of instruction: English

The course is offered in English, students must therefore be able to communicate in English both orally and in writing.

Main field of studies

Business Administration

Depth of study relative to the degree requirements

G2F, First cycle, has at least 60 credits in 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 basic skills for analyzing financial data, including time value of money and techniques and ratios commonly used in financial analysis
- Have demonstrated understanding of problems connected with financial management
- Have demonstrated knowledge of the theory of corporate finance
- Have demonstrated ability to account for the theory and the corporate behavior concerning capital structure and dividend policy
- Have demonstrated knowledge of the importance of working capital management in ensuring the profitability and liquidity of a company

Competence and skills

- Have demonstrated ability to use and create different valuation models for companies (including stock valuation)
- Have demonstrated ability to use and value different financial instruments
- Have demonstrated ability to develop and manage capital needs
- Have demonstrated knowledge of how to handle receivables and disbursements efficiently
- Be able to collect and interpret relevant information

Judgement and approach

- Have demonstrated ability to communicate their skills clearly and distinctively both written and orally

Course content

The aim of the course is to provide students with a broad overview of financial management, with an emphasis on the corporation's relations to the external environment. The course has a corporate perspective and should prepare students for the important role financial planning and management plays in a dynamic and competitive environment.

The main purpose is to give theoretical knowledge for judgment and analysis of the financial considerations a company is exposed to, and to deepen the knowledge of how to handle such considerations.

Students should also develop knowledge to be able to identify, judge and contribute to companies' adaptations to ongoing changes in the subject area.

Following a general introduction to financial management emphasising the perspective of the financial manager, the following topics are covered:

Financial planning and control, including working capital management.

Theoretical foundation of portfolio theory and the theories concerning return and risk

Capital structure and dividend policy

Valuation models, including models for corporate and stock valuation

Capital needs and access to capital in different company phases, including the possibilities to efficiently manage the cost of capital

Financial instruments and the use of them in different situations

Course design

The course is given in the form of lectures, through studies of the literature as well as case discussions and presentations made by the students.

Assessment

The examination consists of case reports and presentations and a written examination covering the reading materials and lectures.

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 points. A distinguished result that is excellent with regard to theoretical depth, practical relevance, analytical ability and independent thought.

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

C (Good) 65-74 points. 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 points. The result is of a satisfactory standard with regard to theoretical depth, practical relevance, analytical ability and independent thought.

E (Sufficient) 50-54 points. 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 points. 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

Studies in business administration corresponding to at least 60 UCP or ECTS-cr from undergraduate level studies

Further information

The course FEKH81 Corporate Finance cannot be combined with FEKA68, FEKA36, FEKA65, FEKH80 or FEKA66 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 FEKH81, Business Administration: Corporate Finance

Applies from H16

- 1101 Corporate Finance, Written Exam, 6,0 hp
Grading scale: Fail, E, D, C, B, A
- 1104 Corporate Finance, Case, 1,5 hp
Grading scale: Fail, E, D, C, B, A

Applies from H11

- 1101 Corporate Finance, Written Exam, 6,0 hp
Grading scale: Fail, E, D, C, B, A
- 1102 Corporate Finance, Case 1, 0,7 hp
Grading scale: Fail, E, D, C, B, A
- 1103 Corporate Finance, Case 2, 0,8 hp
Grading scale: Fail, E, D, C, B, A