



# BASIC FINANCE FOR MANAGERS

BUSN-5200

S2 2015 Section QC 3 Credits

03/16/2015 to 05/15/2015 Modified 01/30/2015

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## MEETING TIMES

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Online course: No formal meeting required. Students can access the course as your schedule allows.

## CONTACT INFORMATION

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Distance Learning

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## DESCRIPTION

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Managers and human resources management professionals must be able to understand financial information contained in financial statements and reports. Line managers must be able to understand financial information contained in financial statements and reports in order to evaluate their unit's financial performance, to communicate clearly with other managers, and to apply financial information when making decisions. Human resources management professionals must understand financial statements and principles if they are to effectively assist line managers and be strategic partners with other business functions. This course will focus on the interpretation and use of basic financial information by non-financial managers, not on the production of financial statements and reports. (FINC 5000 cannot be substituted for BUSN 5200.)

## Requisites

None

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# OUTCOMES

Outcome	Expectation
Students have a basic familiarity with the field of finance and an understanding of the financial goal of a business, and they have an appreciation for the ethical considerations inherent in financial management.	Students can explain the broad structure of the financial field, how the finance department functions in a typical organization and they can define the financial goal of all business firms, differentiating between wealth and profit maximization. Also, students can give illustrations of the ethical issues that arise in connection with financial management and they can explain how the principles in this course apply to non-profit entities as well as profit seeking firms.
Students can explain basic accounting principles, are able to read and interpret the firm's basic financial statements, and can use financial ratios to assess a firm's health and performance.	Students can explain the fundamental principles upon which accounting is based, can interpret the various accounts on income statements, balance sheets, and cash flow statements, and can evaluate the health and performance of a firm using ratio analysis.
Students can prepare a budget and understand its use in financial decision making.	Students can prepare an operating budget for a typical department in a firm.
Students can explain the time value of money concept and how it is used in decision making.	Students can explain why the time value of money concept is important in business and can solve simple time value of money problems, including solving for a rate of return.
Students can evaluate business proposals using capital budgeting decision rules such as payback, break-even analysis, NPV, and IRR.	Students are able to calculate payback periods, read a break-even chart, and apply the NPV and IRR criteria to evaluate the merits of a project.

## REQUIRED TEXTBOOK

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### Finance for Managers - Custom Book

Publisher: MHHE Create

Edition: Please Use Most Recent Edition

ISBN: 978-0-39-045179-8

## DELIVERABLES

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## Online Resource Materials

At the conclusion of the course, students will be able to:

- explain the broad structure of the financial field, how the finance department functions in a typical organization.
- define the financial goal of all business firms, differentiating between wealth and profit maximization.
- give illustrations of the ethical issues that arise in connection with financial management.
- explain how the principles in this course apply to non-profit entities as well as profit seeking firms.
- explain the fundamental principles upon which accounting is based.
- interpret the various accounts on income statements, balance sheets, and cash flow statements.
- evaluate the health and performance of a firm using ratio analysis.prepare an operating budget for a typical department in a firm.
- explain why the time value of money concept is important in business.
- solve simple time value of money problems, including solving for a rate of return.
- calculate payback periods and read a breakeven chart.
- apply the NPV and IRR criteria to evaluate the merits of a project.

## EVALUATION

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Assignment	Points	Weeks	Total	Weight
Participation	20 x 9		180	19%
Homework	50 x 8		400	43%
Quizzes	20 x 8		160	17%
Case Study	200 x 1		200	21%
Total			940	100%

### Criteria

Grade	Points Necessary
A	869.5 - 940
A-	846 - 869.49
B+	822.5 - 845.99
B	775.5 - 822.49
B-	752 - 775.49
C	658 - 751.99
F	0 - 657.99

### University Grading Standards:

A/A- Superior graduate work

B+/B/B- Satisfactory graduate work

C Work that is barely adequate as graduate-level performance

CR Work that is performed as satisfactory graduate work. A grade of "CR" is reserved for courses designated by a department, involving internships, a thesis, practicums, or specified courses.

F Work that is unsatisfactory

I Incomplete work

ZF An incomplete which was not completed within one year of the end of the course. ZF is treated the same as an F or NC for all cases involving G.P.A., academic warning, probation, and dismissal.

IP In Progress

NR Not reported

W Withdrawal from the course

### Criteria

### Breakdown

## COURSE POLICIES

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### Activities:

This course contains the following activities:

- Discussion of issues each week
- Homework problems
- Weekly quizzes
- A financial analysis project of a real business firm culminating in a formal report of findings

### Requirements:

- Sign on to the course website early each week to check discussion forum messages and to post messages yourself.
- Complete each week's homework assignment using Microsoft Word or a Microsoft
- Excelspreadsheet and submit the assignment for grading each week before the deadline of Sundaynight at 11:59 pm.
- Complete the quiz each week (if one is offered) by the deadline of Sunday night at 11:59 pm.
- Complete portions of the case study as directed and submit the complete report for grading at

the end of Week 8.

#### Expectations:

- **Participation** The discussion forum is the way to communicate with other students and with the instructor. Each week you are expected to sign into the discussion forum, read the postings, and post at least one message yourself. Also, you are expected to respond in a meaningful way to any "discussion issues" that are raised. Remember, participation will be a part of your grade. Your participation score is derived from a combination of your general postings and from your responses to the discussion issues. **Participation guidelines:** It is most important that you participate actively in the discussion forum each week. Do not hesitate to ask a question because you are afraid it will "look dumb" and do not hesitate to respond to someone else's question because you are not really sure about it yourself. We are all here to learn and explaining the how & why of something to somebody else is perhaps the most important learning role one can take. You are encouraged to discuss homework problems and how to solve the problems in the discussion forum. However, when you are helping someone else with a homework problem, be careful not to just give them the answer. That does not help them learn how to solve the problem themselves. Meaningful contributions each week are expected. It is OK to chat on occasion and to say hi to someone you know, but in order to count toward your participation grade your messages must contribute in a meaningful way to the discussion. Also, when someone asks a question, do not wait for a few days expecting the instructor to provide the answer. If you have a thought about an issue that has been raised, express it then and there.
- **Homework** Each week you will be assigned a set of homework problems based on that week's subject material (see the Assignments page on the course website for specifics). You are expected to submit your homework file by the end of each week (the deadline is 11:59 p.m. each Sunday night). Your instructor may assess a late penalty if your homework is late without a good reason.
- **Quizzes** Some weeks have on-line quizzes. You take the quizzes by going to the Quizzes page of the course website and following the directions posted there. The quizzes are automatically graded by the computer system when you click "submit for grading." Please feel free to use your text and all available materials during the quiz. You are expected to complete each quiz by the end of the week it applies to (i.e., Sunday night).
- **Case Study** At the beginning of the course you will be introduced to a real company which will be followed throughout the course. Each week you will examine a different aspect of the company, analyzing its health and performance as you go. In the last week of the course you will hand in a formal report of your findings and discuss them in the class.
- **Keeping Up With The Course** If an unavoidable situation is going to force you to turn in homework late or miss a test, please try to let the instructor know ahead of time so alternate plans can be made. You'll find that we can work out almost any kind of difficulty involving unexpected emergencies, scheduling conflicts, etc., but it is easier to make alternate plans if we know about it in advance.

#### Response Times:

- **Discussion Messages:** When you post a question for the instructor in the discussion forum, he or she will respond as soon as possible. Normally this will be within a few hours, but it may take as much as a day in some cases. If the instructor is not going to be available for sometime (due to traveling, for example), he or she will so advise you ahead of time if possible via a message in the forum. Response times for email messages sent to the instructor are similar to those for discussion forum messages.
- **Feedback on Homework:** Each week when you submit your homework assignment, the instructor grades it and posts the grade with feedback comments. Grading and feedback is normally provided within one or two days. The solution spreadsheet for each assignment will be made available the morning after the homework submission deadline each week (for example, if the homework submission deadline is 11:59 pm Sunday night, the solution spreadsheet will be made available some time on Monday).

#### Online Classroom Academic Honesty:

- Please note: Sharing methodology and helping each other is encouraged. However, students must not share completed assignments in their communications. This means you cannot send your Excel spreadsheets or Word files to other students, and you cannot receive another student's Excel spreadsheet or Word file and adapt it for your own use. You must build your own homework assignment file. When you put your name on an Excel spreadsheet or Word document and submit it for grading the work in that file must be yours and yours alone. The official statement: Students who are discovered cheating or committing plagiarism may be awarded a failing grade for the course, and may be subject to dismissal or further discipline.

## INSTITUTIONAL POLICIES

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University policies are provided in the current course catalog and course schedules. They are also available on the university website. This class is governed by the university's published policies. The following policies are of particular interest:

### Academic Honesty

The university is committed to high standards of academic honesty. Students will be held responsible for violations of these standards. Please refer to the university's academic honesty policies for a definition of academic dishonesty and potential disciplinary actions associated with it.

### Drops and Withdrawals

Please be aware that, should you choose to drop or withdraw from this course, the date on which you notify the university of your decision will determine the amount of tuition refund you receive. Please refer to the Add/Drop/Withdraw section of the academic catalog for further information and to find the deadlines for dropping a course with a full refund and for withdrawing from a course with a partial refund.

## Special Services

If you have registered as a student with a documented disability and are entitled to classroom or testing accommodations, please inform the instructor at the beginning of the course of the accommodations you will require in this class so that these can be provided.

## Disturbances

Since every student is entitled to full participation in class without interruption, disruption of class by inconsiderate behavior is not acceptable. Students are expected to treat the instructor and other students with dignity and respect, especially in cases where a diversity of opinion arises. Students who engage in disruptive behavior are subject to disciplinary action, including removal from the course.

## Grading

Please refer to the most recent academic catalog for information on the Webster University grading policy.

## Student Assignments Retained

From time to time, student assignments or projects will be retained by The Department for the purpose of academic assessment. In every case, should the assignment or project be shared outside the academic Department, the student's name and all identifying information about that student will be redacted from the assignment or project.

## Contact Hours for this Course

It is essential that all classes meet for the full instructional time as scheduled. A class cannot be shortened in length. If a class session is cancelled for any reason, the content must be covered at another time.

# SCHEDULE

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### Week 1

- Finance and Business
- Ethics in Business
- Goal of the Firm

- Case Study Company Introduction

## Week 2

- Accounting Fundamentals
- Financial Statements Overview

## Week 3

- Getting Information from Financial Statements

## Week 4

- Ratio Analysis

## Week 5

- Budgets & Budgeting

## Week 6

- Time Value of Money

## Week 7

- Solving Time Value of Money Problems

## Week 8

- Capital Budgeting

## Week 9

- Present & Discuss Findings from Case Studies