

Financial Management (BUS 365)

Professor: Joung Hwa Choi
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Office hours: Fri. 8:00 - 10:00 PM

Course Description: The objective of this course is to introduce intermediate topics in corporate finance. Various financial management techniques and analyses for improving business decision-making will be explored in this course. Topics include project evaluation, debt and equity funding, capital structure, long and short-term financing decisions, payout policy, and risk management with derivatives. In addition, students will learn about implicit options embedded in many financial decisions. Topics on M&A may be covered with business cases.

Pre-requisites: BUS 115, ECO 108, BUS330

Textbook: The textbook for this course is Ross, Westerfield, Jordan, *Fundamentals of Corporate Finance*, McGraw Hill. Lecture notes and other materials related to the class can be downloaded from the blackboard.

Evaluation and Grading: Evaluation will be based on

Course Component	Weighting A (normal case)	Weighting B (who miss quiz)	Weighting C (who miss midterm or final exam)
Attendance	10%	10%	10%
Case Presentation (Peer Review)	15%	15%	15%
Midterm 1	25%	15%	25%
Midterm 2	25%	30%	20%
Final	25%	30%	30%
Class participation	upto 5 points to the final score (additionally)	upto 5 points to the final score (additionally)	upto 5 points to the final score (additionally)

Final Grade: At the end of the semester, students can pick the higher one for the final letter grade. The two letter grades are evaluated according to the following two schedules. +/0/- will be given at my disposal.

A	top 30% of the class	A	90 points and up
B	the next 35% of the class	B	75 to less than 90
C	the next 30% of the class	C	55 to less than 75
D&F	the rest	D&F	the rest

Course Outline

Week	Date	Financial Management (BUS 365)
Week 1	Aug. 31	Orientation
	Sep. 2	Cost of Capital (Ch. 14)
Week 2	Sep. 7	Basics of Capital Budgeting
	Sep. 9	
Week 3	Sep. 14	Capital Investment Decisions (Ch. 10)
	Sep. 16	
Week 4	Sep. 21	Chuseok holiday
	Sep. 23	
Week 5	Sep. 28	Project Analysis and Evaluation (Ch. 11)
	Sep. 30	
Week 6	Oct. 5	CASE 1: HBC_Capital budgeting presentation
	Oct. 7	Midterm 1
Week 7	Oct. 12	
	Oct. 14	Raising Capital (Ch. 15)
Week 8	Oct. 19	
	Oct. 21	Financial Leverage and Capital Structure Policy (Ch. 16)
Week 9	Oct. 26	
	Oct. 28	Dividends and Payout Policy (Ch. 17)
Week 10	Nov. 2	Case 2 Discussion and Preparation, Q&A
	Nov. 4	CASE 2: HBC_IPO presentation
Week 11	Nov. 9	Midterm 2
	Nov. 11	
Week 12	Nov. 16	Short-term Finance and Planning (Ch. 18)
	Nov. 18	
Week 13	Nov. 23	Enterprise Risk Management (Ch. 23)
	Nov. 25	
Week 14	Nov. 30	Options and Corporation Finance (Ch. 24)
	Dec. 2	
Week 15	Dec. 7	CASE 3: HBC_Hedging presentation
	Dec. 9	Correction Day: no class (Monday's schedule)
Week 16	Dec. 16 (T)	Final 12:30-3:00 PM

- The class format is subject to change according to the government's social distance policy.