

**SAM HOUSTON STATE UNIVERSITY**  
**College of Business Administration**  
**Department of General Business and Finance**

**Course Syllabus - Spring 2018**  
**FINANCE 4390**  
**MANAGERIAL FINANCE**

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**Section:** MoWe 12:30pm-1:50pm      **Building, Room:** SHB 336    **Professor:** Dr. Robert Stretcher(x43308)

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**Office:** SHB 210E      **Email:** fin\_rhs@shsu.edu      **Website:** Blackboard

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	<u><b>Monday</b></u>	<u><b>Tuesday</b></u>	<u><b>Wednesday</b></u>	<u><b>Thursday</b></u>	<u><b>Friday</b></u>
<b>Office Hours:</b>	9:30-11	9:30-11	9:30-11		

Other times by appointment

**Required Texts:** For reference, please use *Managerial Finance, Analysis and Practice*. Interim edition, Stretcher and Gutierrez. 2017. *Available in the LSC Campus Bookstore*.

**Catalog Description: FINC 4390 MANAGERIAL FINANCE.** This course includes an in depth study of some of the tools used in financial management. Problems in the valuation of securities, capital costs, capital budgeting, risk analysis, capital structure, financial statement analysis, and dividend policy are stressed. Prerequisite: FINC 3320 with a minimum grade of C. Credit 3.

**Teaching/Learning Strategies:** Delivery of course material will be accomplished through lectures and class exercises.

**Course Objectives:**

- \* Learning to apply course material to improve thinking, problem solving, and decisions
- \* Developing specific skills, competencies, and points of view needed by professionals in the fields most closely related to the course.
- \* Acquiring skills in working with others as a member of a team
- \* Learning to analyze and critically evaluate ideas, arguments, and points of view

**Learning Objectives:**

- \* Understand and explain the nature and cost of capital raised by a business firm
- \* Demonstrate in writing an understanding of risk as it affects the various areas of business decision making
- \* Demonstrate the ability to summarize and analyze potential investment projects using analytical tools such as Excel
- \* Demonstrate an understanding of analysis of cash flows as they form the basis for valuation of real and financial assets
- \* Calculate, understand, and use financial ratios, analysis, and financial indicators to provide information useful to the managers of a firm

## **Course Requirements:**

**General:** Managerial Finance is an advanced level course focusing on analytical and interpretive exercises. This requires an exceptional grasp of analytical techniques, a few of which are introduced in the Finance 3320 course. We will focus on mastery of basic analysis, place analytical processes in context of the managerial focus of the course and present advanced elements of analysis beyond chapter coverage. Case studies and other elements of the professional business environment will be addressed in the course.

**Examinations:** There will be three regular examinations during the semester, each covering approximately one-third of the text material and lectures. Lectures will *supplement* the text, *not mirror it*. The examinations cover both text AND lecture material, not just the overlap of material. Exams will contain a conceptual portion in objective and/or written format, and a problems portion presented in a format similar to the problems assigned for homework. ***All exams count.***

**Quizzes:** There will be three quizzes: one quiz on the class day before each exam. The quizzes cover both text AND lecture material, not just the overlap of material. Quizzes will contain a conceptual portion in objective and/or written format, and a problems portion presented in a format similar to the problems assigned for homework.

**Homework:** Selected problems and readings will be assigned. Students are expected to complete assignments in a timely manner, prior to their presentation in class. Homework problems are not graded; they are assigned primarily to provide practice in preparation for examinations. Your preparation is very important for the performance portions of your grade.

**Case Studies:** Finance does not operate in a vacuum; the real world does not often fit into textbook presentations. Group projects will be conducted for the purpose of clarifying the text material through real-world case applications. In some instances, groups will have a week or more to prepare, submit and present case analyses on a competitive basis; as the course progresses, students are expected to quickly and effectively apply proper analysis, and quickly be able to summarize and present findings. The grading of these assignments and activities is subjective, but is based on the group's use, application, explanation, and presentation of their process of using appropriate financial principles.

**Skill Building:** Recruiters hiring our finance and banking graduates identify three skills that drive their decision of who to hire among the qualified candidates applying for professional positions. They are: Analytical Skills (ability to use appropriate analytical tools such as Excel, statistical software, programming languages, or industry specific software such as SAP or integrated banking programs), Communication Skills (ability to speak individually, in groups, or public speaking, and written and presentation skills), and the ability to work effectively in team settings.

**Excel Skills:** Among the skills most sought by recruiters, proficiency in analytical methods (use of Excel or other analytical software) is highly desirable. Because these skills are actively required for Finance majors (and to a limited degree, Banking/Financial Institutions majors), recruiters continue to return to the COBA career fair with excellent reports of our majors' Excel capabilities. After sufficient demonstration of analytical methods in excel in class, each person will individually demonstrate their mastery of those skills in short exams three times during the semester.

**Communication Skills:** Communication skills are perhaps the single most important element of a job search. Again, recruiters have reported strong capabilities of their hires among Finance and Banking/Financial Institutions majors. Great analytical skills are ineffective if the analyst cannot effectively communicate results. The class will involve discussion of effective reporting methods, and interaction of analytical, word processing, presentation, and publication software. Students are expected to use these principles in preparing reports of the analysis of cases.

**Teamwork Skills and Group Dynamics:** Groupwork is often a challenge in courses and in real life. In the corporate setting, though, it is very common for teams to be assigned to accomplish tasks or to tackle a problem facing the company. In the Finance 4390 course, teams will be formed in much the same manner as in the corporate setting, with leader, auditor, and analyst functions. This may be the biggest challenge of the course for some; work outside of class must be organized and coordinated, and deadlines must be met. The method is designed to give students critical skills and tools that can be brought to bear in professional management careers.

The groupwork is organized according to "*Corporate Mole*," a grouping and dynamics strategy developed by your professor. The strategy is designed to provide efficient information transfer through leadership, consistent reports, and feedback; it regularly rewards cooperative teamwork and effective task

management. Former students, after the fact, sing the praises of the strategy; now in professional management positions, they report about the corporate environment and how the "*Corporate Mole*" method helped them to adapt and excel in teamwork scenarios.

**Calculator:** Extensive use of calculators should be expected for the course. While a particular calculator is NOT required, students may wish to purchase and learn functions of a financial calculator. I will not force you to memorize a button-pushing sequence on a particular required calculator; rather, I will show you solution processes that are flexible and will be useful throughout your professional career. Phone and iPod applications are available (search 'calculators' for availability) that in some cases extend the calculator's capabilities. They are also substantially cheaper than the calculator itself. A communication device, however, may not be used on quizzes and exams, so possession of a regular calculator is necessary.

**Grading System:**

Examinations	45% (15% each)
Quiz Average	15%
Cases Average	20%
Excel Skills Average	<u>20%</u>
	100%

**Grading Scale:** A: 89.5-100   B: 79.5-89.4   C: 69.5-79.4   D: 59.5-69.4   F: below 59.5

**Incompletes:** The grade of incomplete will be recorded at the end of the semester in the event a student experiences an unavoidable and excused delay in completion of the semester requirements for the course. Prior to the final exam, the student MUST submit, in writing, a justification for the incomplete, which is subject to your instructor's approval. *If* accepted, the student must arrange with the instructor a work schedule that will satisfy requirements within a specified time period. Failure to arrange any of these details will result in a regular grade being recorded for the student, reflecting zero credit for any work not performed. *The grade of incomplete is NOT considered for students having academic difficulty meeting course requirements, nor for poor performance in the course.*

**Attendance Policy:** *Attendance is necessary and expected. If you are unable to commit to taking the class, it is advisable to wait until you are able and willing to make the commitment.* Attendance will be taken at all class meetings.

Technically, students are allowed up to three weeks (six class periods for a MW or TTH class, three class periods for an evening class) of absences before a grade of "F" is recorded. Realistically, however, for a course like this one, students need to commit to no absences, and only be absent in the event of unavoidable circumstances. Students unable or unwilling to accomplish reasonable attendance (those who will likely exceed the absence limit) are encouraged to enroll during a semester and in a section when they **will** be able and willing to attend the class.

Tardiness can be disruptive and distracting to students who come on time. Tardiness will thus count as one-half absence. If a student is tardy, it is **their responsibility** to inform the professor at the end of the class period. Failure to do so will result in the tardy counting as an absence. If you are not able to come to class on time, it is strongly advisable to switch sections or take the class in another semester when you *will be able* to come to class on time.

**Online Activity Policy:** *Your consistent attention to the course content, requirements, and frequent announcements via email is necessary and expected.*

**Americans with Disabilities Act:**

\* (See <http://www.shsu.edu/academics/syllabus-guidelines/index.html>)

**Student Absences on Religious Holy Days Policy:**

\* (See <http://www.shsu.edu/academics/syllabus-guidelines/index.html>)

**Academic Misconduct:**

\* (See <http://www.shsu.edu/academics/syllabus-guidelines/index.html>)

**Visitors in the classroom:** Only registered students may attend class. Exceptions can be made on a case-by-case basis by the professor. In all cases, visitors must not present a disruption to the class by their attendance. Students wishing to audit a class must apply to do so through the Registrar's Office.

**This syllabus is valid for spring semester 2018. A schedule of topical coverage and semester highlights is available at the class website (Blackboard).**