

MBA Module:	Finance
Key words:	Applied Corporate Finance, Corporate Finance, Financial Accounting, Management Accounting, Quantitative Methods
Module number:	
Target group(s):	1 st and 2 nd semester MBA students (ca. September – June)
ECTS credits:	8
Language of instruction:	English
Responsible:	Prof. Dr. Michael Flad

Extent of work (hours)

Workload	Contact hours	Self study	Exam preparation
240	150	45	45

Prerequisites:	Participants should be able to work with MS-Excel.
Objectives:	<p>This module is designed to impart knowledge, skills and experience that will qualify students to understand the fundamental principles of finance. It focuses on aspects which are relevant for decision-making, such as financial budgeting, choosing financial sources and working capital management.</p> <p>Students learn and understand how to make financial forecasts based on accounting data and how to make investment decisions based on different investment criteria.</p> <p>Furthermore, students gain a deeper insight into the subject by a detailed evaluation and controlling of costs and an analysis of risk management. Both enable graduates to render more precisely their financial forecasts and improve the accuracy of the financial decisions.</p>
Module content:	<p>The module covers the following five courses:</p> <ul style="list-style-type: none"> • Applied Corporate Finance: Apply corporate finance material in different case studies during the course • Corporate Finance: Deploy financial tools and methods in the decision-making of managerial finance • Financial Accounting: Impact of different costing methods and depreciation • Management Accounting: Principles of controlling • Quantitative Methods: Apply the different methods presented <p>Although the self-study part seems low, there are many exercises during the contact hours i.e. in Applied Corporate Finance and Quantitative Methods</p>
Applicability:	This module lays the groundwork for the modules “International Management” and “Business Planning” in the 2nd semester, where financial planning and budgeting as well as risk management are essential, next to other disciplines.
Requirements for credits:	<p>Corporate Finance & Applied Corporate Finance: written exam (90 minutes) Financial Accounting: written exam (60 minutes) Management Accounting: written exam (60 minutes) Quantitative Methods: written exam (60 minutes)</p> <p>Because of the variety of topics in this module, all four exams must be passed in order to receive the ECTS for the whole module.</p>

Submodules and assessment

Submodule 1 of 5	Applied Corporate Finance
Exam number:	1201002
Lecturer:	Prof. Dr. Michael Flad
ECTS credits:	1
Type of assessment:	Written Exam, included in the course Corporate Finance.
Learning objectives:	<ul style="list-style-type: none"> • Students apply the theory learned in Corporate Finance in order to implement this knowledge in a simulated real-world setting • Students show a working knowledge of corporate financial strategy • Students apply corporate finance material in different case studies • Graduates discuss current topics in corporate finance
Methods:	Lectures, interactive learning through discussions, exchange of experience, participant presentations, case studies.
Literature:	Assignment materials, articles and case studies will be provided
Contents:	Selected cases, individual and group projects.

Submodule 2 of 5	Corporate Finance		
Exam number:	1201002		
Lecturer:	Prof. Dr. Michael Flad		
ECTS credits:	2		
Type of assessment:	Written Exam (90 minutes), including material from Applied Corporate Finance.		
Learning objectives:	<ul style="list-style-type: none"> • Students acquire the essentials of corporate finance and become comfortable with using information from real financial statements • Students understand risk-return relationships • Students know diverse financing alternatives • Students are capable to evaluate projects and investment products using diverse investment tools • Graduates are able to deploy financial tools and methods in the decision-making of managerial finance 		
Methods:	Lectures, interactive learning through discussions, exercises.		
Literature:	<ul style="list-style-type: none"> • Clacher, I., B. Jordan, D. Hiller, St. A. Ross, R. Westerfield: Fundamentals of Corporate Finance, McGraw-Hill <p>Additional:</p> <ul style="list-style-type: none"> • Arnold, G.: Corporate Financial Management, Prentice Hall 		
Contents:	<ul style="list-style-type: none"> • Introduction to Corporate Finance and Financial planning <ul style="list-style-type: none"> - Basics of Financial Mathematics - Financial Statements, Taxes and Cash Flow • Valuation of Future Cash Flows and Capital Budgeting <ul style="list-style-type: none"> - Net Present Value - Interest Rates and Bond Valuation - Stock Valuation - Project Analysis and Evaluation • Risk and Return <ul style="list-style-type: none"> - Introduction to Portfolio Theory - Markowitz, CAPM and APT • Cost of Capital and Long-Term Financial Policy <ul style="list-style-type: none"> - Cost of Capital - Raising Equity and Debt - Financial Leverage and Capital Structure Policy • Short-Term Financial Planning and Management <ul style="list-style-type: none"> - Short-Term Finance and Planning - Working Capital Management 		
Workload 60	Contact hours 30	Self study 15	Exam preparation 15

Submodule 3 of 5	Financial Accounting		
Exam number:	1201003		
Lecturer:	Prof. Dr. Catharina Kriegbaum-Kling		
ECTS credits:	2		
Type of assessment:	Written Exam (60 minutes)		
Learning objectives:	<ul style="list-style-type: none"> • Students acquire knowledge of the content of financial statements • Students understand the concept of the „double entry system“ • Students acquire knowledge of measures used in financial analysis 		
Methods:	Lectures, exercises.		
Literature:	<ul style="list-style-type: none"> • Atrill, P., E. McLaney: Accounting and Finance for Non-Specialists, Pearson <p>Additional:</p> <ul style="list-style-type: none"> • Anthony R.N., D.F. Hawkins, K.A. Merchant: Accounting, McGraw-Hill • Dyckman, Th.R: Intermediate Accounting, McGraw-Hill • Horngren, Ch.T., W.T. Harrison, L.S. Bamber: Accounting, Prentice-Hall • Hoyle J.B., Th. Schaefer, T. Douppnik: Advanced Accounting, McGraw-Hill • Perks R.: Financial Accounting for Non-Specialists, McGraw-Hill 		
Contents:	<ul style="list-style-type: none"> • Accounting as an Information System • Financial Statements (necessary for Corporate Finance) <ul style="list-style-type: none"> - Accounting Conventions - Balance Sheet and Balance Sheet Items - Income Statement - Double Entry System - Cash Flow Statement • Financial Analysis (necessary for Corporate Finance) <ul style="list-style-type: none"> - Profitability - Efficiency - Liquidity - Structure and Funding - Long-Term Solvency • The Relevance and Behavior of Costs 		
Workload 60	Contact hours 30	Self study 15	Exam preparation 15

Submodule 4 of 5	Management Accounting		
Exam number:	1202001		
Lecturer:	Prof. Dr. Jan Schäfer-Kunz		
ECTS credits:	2		
Type of assessment:	Written Exam (60 minutes)		
Learning objectives:	<ul style="list-style-type: none"> • Knowledge: Basic knowledge in the areas of management accounting listed below • Skills: Basic skills in the areas of management accounting listed below 		
Methods:	Lectures, exercises		
Literature:	<ul style="list-style-type: none"> • Horngren, C. T., S.M. Datar, S. M., G. Foster: Cost Accounting – A managerial emphasis, Pearson • Anthony, R. N., D.F. Hawkins, K.A. Merchant: Accounting – Text and Cases, McGraw-Hill 		
Contents:	<p>Basics</p> <ul style="list-style-type: none"> • Accounting as an information system • Basic terms • Cost behavior • Structure and types of cost accounting systems <p>Calculation</p> <ul style="list-style-type: none"> • Cost type accounting • Cost center accounting • Cost object accounting <p>Decision making</p> <ul style="list-style-type: none"> • Break even analysis • Planning of product portfolios • Pricing 		
Workload 60	Contact hours 30	Self study 15	Exam preparation 15

Submodule 5 of 5	Quantitative Methods		
Exam number:	1201001		
Lecturer:	Prof. Dr. Karin Melzer		
ECTS credits:	1		
Type of assessment:	Written Exam (60 minutes)		
Learning objectives:	<ul style="list-style-type: none"> • Students understand the methods which support decision making in various departments of a company • Students are able to apply the different methods presented in the course 		
Methods:	Lectures, exercises.		
Literature:	<ul style="list-style-type: none"> • Clacher, I., B. Jordan, D. Hiller, St.A. Ross, R. Westerfield: Fundamentals of Corporate Finance, McGraw-Hill • Winston, W.L., S.Chr. Albright: Practical Management Science, Cengabge • Savage, S.L.: Decision Making with Insight, South Western Educational Publishing 		
Contents:	<ul style="list-style-type: none"> • Valuation of payments/cash flows <ul style="list-style-type: none"> - Time value of money - Valuation of cash flows - Different compounding periods • Descriptive statistics <ul style="list-style-type: none"> - Tabulating and graphing data - Describing data sets: measures of central tendency und variability • Regression analysis <ul style="list-style-type: none"> - Two-dimensional random samples, scatter plot - Correlation: indicator of linear relationship, correlation and causation - Linear regression (method of least squares) - Prediction with the regression model - Alternative functional forms for regression equations 		
Workload 30	Contact hours 30	Self study 0	Exam preparation 0