



School of Business | Camden

Financial Management

53:390:506:92:19787

Fall 2022

COMBINATION OF ASYNCHRONOUS AND SYNCHRONOUS ONLINE INSTRUCTION

Instructor: Professor Vadim Balashov, Ph.D.

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Office: BSB-217 (2nd floor) (Camden)

Office Phone: (856) 225-6706

Office Hours:

Friday – 12:00-12:30 PM

or by appointment

Please, let me know if you are coming

Canvas Site: <https://canvas.rutgers.edu>

Link to cases:

<https://hbsp.harvard.edu/import/961583>

Class Meeting Day & Time: online

Review sessions will be offered weekly based on demand via Zoom/Webex

Fridays, 12:00-12:30 PM

Please, request a session in advance if you need one!

Connect Site:

<https://connect.mheducation.com/class/v-balashov-fall-2022-53390506-section-92-online>

Course Description:

This course provides an introduction to corporate financial management. The course provides an overview of the problems faced by financial managers in a modern firm. Much of the course will be devoted to the development and application of the analytical tools used by financial managers. While some of the course is theoretical, the emphasis is on practical decision making.

Course Goals

This course is designed to teach students the elements of the time value of money; the valuation of stocks, bonds, and real investment projects; and the risk-return relationship. As the result of this course students should be able to understand how companies invest in real assets and how they raise money to pay for these investments. By the end of the course students are expected to know the existing theories and principals of financial management and be able to apply this knowledge to the main decisions faced by the financial manager.

Course Learning Objectives

This course will cover four important topics in finance. I have listed the basic learning objectives for each topic below.

1. *Time Value of Money:* The time value of money concepts form the basic building blocks for financial decision making. You should be able to compute present and future values of single and multiple cash flows, know the differences in how interest rates are computed and quoted, and be able to amortize loans.

2. *Valuation*: You should know the different features of two major types of financial securities: fixed income securities (bonds) and equity securities (stocks). You should also be able to value both bonds and stocks. While stock valuation can be fairly complicated, you should understand how stock values are determined.
3. *Risk and Return*: Virtually all investments that are made by either businesses or individuals are risky, in the sense that the future benefits from these investments are uncertain. You should know how to measure risk, how to diversify risk by forming portfolios, and how returns from investments are related to risk.
4. *Capital Budgeting*: Capital budgeting is the process by which firms decide what long-term investments to make. You should be able to compute cash flows from these investments and know how to make financially sound investment decisions in these assets.

Course Materials

Text: Ross, Westerfield, Jaffe, Jordan
Corporate Finance
Irwin McGraw-Hill, 13th Edition

We will use the SmartBook (see details below, under “SmartBook Assignments”). The material presented in the textbook provides the essential backbone of the course. It is necessary that you read all textbook material assigned for a class. Reading will be assigned through SmartBook Assignments. Reading all assigned material, doing all other assigned homework on-time, going over posted material, and consulting with the professor immediately when you need help are strongly recommended actions for the student to excel in this course. Most of the teaching material will be available on Canvas and Connect.

Connect:

McGraw-Hill’s Connect is a web-based assignment and assessment solution **required** for this course. The price for students for the eBook+Connect is around \$150. eBook+Connect may be purchased online at <https://connect.mheducation.com/class/v-balashov-spring-2022-section-92>

Please, DO NOT buy the book without Connect!

When you purchase eBook+Connect, you will have the option of ordering a loose-leaf copy of the book at a discounted rate of \$105 extra. <https://www.mheducation.com/highered/product/corporate-finance-ross-westerfield/M9781260772388.html#bundleCollapse>

To register in Connect, please visit <https://connect.mheducation.com/class/v-balashov-fall-2022-53390506-section-92-online> and click “Register Now.” NOTE: You can register in Connect and have access without a code for a limited period (typically two weeks). If you have any issues while registering or using Connect, please contact McGraw-Hill’s Customer Experience team through <http://www.mhhe.com/support> or at 800-331-5094. To avoid problems related to unexpected technical issues, you are advised not to wait until the last moment to complete assignments. Please review your “Connect Student Quick Tips” document for further support.

Link to Case Studies: <https://hbsp.harvard.edu/import/961583>. The HBS case studies coursepack is **required** for this course. The cost is \$21.75.

Calculators and laptops: A financial calculator is a great tool that will facilitate your computations. The designated financial calculator is Hewlett Packard HP 10BII. This is a relatively inexpensive calculator that is widely used. If you choose to use another financial calculator, please make sure that you know how

to use it (i.e., I will not bear any responsibility of teaching you how to use it). Alternatively, you can install an app for your smartphone that emulates a financial calculator. Finally, I will provide some free online links and educational videos to financial calculators.

Class Structure

The course is designed by the means of asynchronous instructions. Each week, you will receive detailed instructions for your assignments on Canvas. This will include the material covered, any lecture notes/videos, PowerPoint presentations, and Connect assignments. SmartBook will mostly replace traditional chapter reading. We will use Connect for assignments. I will also post PowerPoint presentations and any related material on Canvas. I will use Canvas to communicate with students through announcements. Please, read my Canvas announcements carefully. Case presentations and discussions represent the synchronous part of the course. You will have to present and discuss case studies in groups via Zoom/Webex meetings online at the end of the semester.

Grading

SmartBook Assignments: SmartBook is a digital version of your course textbook. It contains the same content within the textbook, but unlike a typical eBook, SmartBook actively tailors that content to your individual needs as a student. It can be accessed online through your laptop via SmartBook Assignments. SmartBook Assignments are unique to Connect. Throughout the course, you will be assigned 12 SmartBook Assignments. The goal for the assignments is for you to practice and master the learning goals and new concepts. SmartBook Assignments will replace your regular chapter reading (you can still buy and read the paper-based version of the book). The assignments will ask you to read specific parts of a chapter and answer related questions. Questions may be multiple choice and/or computational. When working with SmartBook Assignments, it is okay to get questions wrong. You will still earn full credit if you complete all concepts by the due date. SmartBook Assignments will highlight areas that need more work or require your attention.

Quizzes: Throughout the course, you will have four multiple choice quizzes. Quizzes will be administered through Connect.

Computational Assignments: You will have four computational assignments. Again, all submissions are done through Connect. I will also make an announcement on Canvas that will be specific to each homework. *Late assignments will not be accepted unless a legitimate reason is given.*

Case Presentation: At the end of the course, everyone will have to present online one HBS case study. Link to cases: <https://hbsp.harvard.edu/import/961583>. Case studies are done in groups. The groups and cases will be assigned at a later date. Grading is based on an online case presentation and a submitted written report. Details to follow. Case studies will be presented and discussed online via Zoom/Webex meetings. Your presenting group, your discussing group and I need to coordinate a date/time for the presentation and discussion. The presenting group should submit their written report at least **two weeks** before the selected date for the presentation. So, start working on your case studies early!

Case Discussion: At the end of the course, everyone will have to discuss one case study. Case discussions consist of questions/comments to the presenting group during the online case presentation, and a written report with the case analysis done by the presenting group. The discussing group will receive the presenting group report at least two weeks before the presentation day to analyze. Case discussions are done in groups. The groups and cases will be assigned at a later date. Grading is based on an online case discussion and a submitted written discussion report. Details to follow.

Each group will present one case and will discuss one case. However, everyone is required to read all of the cases and is encouraged to attend other case study presentations/discussions to ask questions related to the cases during its presentation.

Exams: There will be one final and two midterm exams. Exams will be administered through Connect. While the exams are not technically cumulative, you will inevitably see concepts repeated throughout the course. Exams are designed with multiple-choice questions and calculation problems.

SmartBook Assignments, Quizzes, Computational Assignments, and Exams are strictly individual. The statement about Academic Integrity below.

Grading weights will be as follows:

SmartBook Assignments (12 @ 50 pts each):	= 600 points
Quizzes (4 @ 50 pts each):	= 200 points
Computational Assignments (4 @ 50 pts each):	= 200 points
Case Presentation:	= 600 points
Case Discussion:	= 300 points
Midterm 1 Exam (two parts):	= 500 points
Midterm 2 Exam (two parts):	= 500 points
Final Exam (two parts):	= 600 points
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Total Possible:	= 3500 points

90-100%	A
85-89%	B+
80-84%	B
75-79%	C+
70-74%	C
65-69%	D
Less than 65%	F

Class Attendance

The course is taught in an online setting. Each week, I will offer online review sessions via Zoom/Webex to go over covered material, summarize the chapter(s), and answer any questions. Please, request a session in advance via e-mail if you need one! Attending such sessions is optional but is highly recommended if you are struggling in the class or have questions/concerns.

Attending online case presentations and case discussions for your group is mandatory. Attending online case presentations and case discussions by other groups is highly encouraged.

Statement About Academic Integrity

The Academic Integrity policy can be found at <http://studentconduct.rutgers.edu/student-conduct-processes/academic-integrity/>

Students are responsible for understanding the principles of academic integrity and abiding by them in all aspects of their work at the University. Students are also encouraged to help educate fellow students about academic integrity and to bring all alleged violations of academic integrity they encounter to the attention of the appropriate authorities.

Academic Integrity means that you (the student) must:

- properly acknowledge and cite all use of the ideas, results, or words of others,
- properly acknowledge all contributors to a given piece of work,
- make sure that all work submitted as your own in a course activity is your own and not from someone else
- obtain all data or results by ethical means and report them accurately
- treat all other students fairly with no encouragement of academic dishonesty

Adherence to these principles is necessary in order to ensure that:

- everyone is given proper credit for his or her ideas, words, results, and other scholarly accomplishments
- all student work is fairly evaluated and no student has an inappropriate advantage over others
- the academic and ethical development of all students is fostered
- the reputation of the University for integrity is maintained and enhanced.

Failure to uphold these principles of academic integrity threatens both the reputation of the University and the value of the degrees awarded to its students. Every member of the University community therefore bears a responsibility for ensuring that the highest standards of academic integrity are upheld. Violations are taken seriously and will be handled according to University policy.

Student Code of Conduct

The University's Student Code of Conduct can be found at <http://studentconduct.rutgers.edu/university-code-of-student-conduct>

Violations of the Student Code of Conduct are considered serious infractions of student behavior and students who violate the code are subject to penalties relative to the level of the matter. In general, students may not disturb normal classroom procedures by distracting or disruptive behavior, this includes online as well as in-person.

The Code of Student Conduct is more than a collection of University regulations to be abided by – it seeks to promote the University's values and educate. The Code of Student Conduct encourages students to be their authentic selves as they find their place on campus, while also encouraging students to embrace inclusion through discovery, dialogue, and development as they celebrate diverse backgrounds.

The spirit of the Code of Student Conduct promotes student engagement both on and off campus, global citizenship, and leadership. It encourages students to uphold the highest tenets of trust, honesty, and integrity, understanding at all times that our actions significantly impact our personal journeys, our communities, and our larger society.

Rutgers–Camden, Rutgers–Newark, and Rutgers–New Brunswick students originate from all corners of the world and travel between many campuses and cities. As our students strive to achieve their goals, they are expected to conduct themselves in accordance with University policies and procedures, but more importantly, the values and spirit that these policies and procedures are founded upon.

Violations of the Student Code of Conduct should be reported to the Dean of Students office deanofstudents@camden.rutgers.edu or 856-225-6050.

If the violation is immediate and a potential threat is a concern, call the Rutgers-Camden police at 856-225-6111

Learning Disabilities

Rutgers University welcomes students with disabilities into all of the University's educational programs. In order to receive consideration for reasonable accommodations, a student with a disability must contact

the appropriate disability services office at the campus where you are officially enrolled, participate in an intake interview, and provide documentation: <https://ods.rutgers.edu/students/documentation-guidelines>.

If the documentation supports your request for reasonable accommodations, your campus's disability services office will provide you with a Letter of Accommodations. Please share this letter with your instructors and discuss the accommodations with them as early in your courses as possible. To begin this process, please complete the Registration form (<https://webapps.rutgers.edu/student-ods/forms/registration>).

Erin G. Leuthold, MS Ed
(856) 225-2717

Rutgers-Camden Disability Services:

311 North Fifth Street, Camden, NJ 08102-1405

Web page: <https://ods.rutgers.edu/contact-ods/rutgers-university-camden>

E-mail: disability-services@camden.rutgers.edu

Class Schedule

The following class schedule reflects my best estimate of the time required to cover each topic. However, I reserve the right to make any necessary changes to the schedule as the semester progresses. Please note the dates of exams. All chapter references are to the textbook by Ross, Westerfield, Jaffe, and Jordan.

Week No.	Beginning Date	Material Covered in Class
1	Sep 5	Chapter 1
2	Sep 12	Financial Markets and Institutions (online materials will be posted on Canvas)
3	Sep 19	Chapter 2
4	Sep 26	Chapter 3
5	Oct 3	Chapter 3
6	Oct 10	Chapter 4
7	Oct 17	Chapter 5
8	Oct 24	Chapter 6
9	Oct 31	Chapter 8
10	Nov 7	Chapter 9
11	Nov 14	Chapter 10
12	Nov 21	Chapter 11
13	Nov 28	Chapter 13
14	Dec 5	Case Presentations/Discussions
15	Dec 12	Case Presentations/Discussions
