

SUBJECT:	(advanced) Managerial Finance		
HOURS:	18	ECTS:	3

Name/title of the author:	Prof. Zbigniew Dresler, Dr Joanna Wyrobek
Course Description:	<p>The course will present unresolved problems in managerial finance concerning:</p> <ul style="list-style-type: none"> - Determination of the cost of capital and capital structure of a company, - Measurement and classification of business risk, - Four important theories in managerial finance – do they explain it all? - Financial system in the world – why it cannot be stable and reliable? <p>The purpose of the course is also to show the (only) <u>application</u> in managerial finance of:</p> <ul style="list-style-type: none"> - Panel data models (Gretl), - Time series analysis (Ms Excel or Gretl), - Spectral analysis (Statistica(R) software) - Discriminant analysis (Statistica, Excel)
Learning Outcomes (skills and knowledge):	<p>At the completion of the course the student should be able to:</p> <ol style="list-style-type: none"> 1. Explain changes in understanding of how financial system should work and its impact on companies. 2. Discuss major theories in managerial finance. 3. Be aware of problems of estimating the cost of capital and analyzing the capital structure. 4. Understand basic concepts and be able to use panel data models, time series analysis, spectral analysis and discriminant analysis.
Entrance qualifications:	Graduated from the MSc in Economics or Management
Course Content:	<ol style="list-style-type: none"> 0. Financial system after subprime crisis – what central banks and governments have learned - 3 hrs 1. Understanding decision making in modern companies - classical approach, agency theory, signaling theory – 3 hrs 2. Capital structure and cost of capital dilemma – 3 hrs 3. Assessment of risk in finance – problems with measurement and classification, what are the rules of financial management in a company – 3 hrs 4. Behavioral finance – new approach to capital markets – 3 hrs 5. Four useful techniques in financial research: panel data models, time series, spectral analysis, discriminant functions – 3 hrs
Assessment policy (examination):	Presentation of a paper in front of the group and a research project, both done in groups (presentations will be performed during additional hours, on top of 18 hours of the course)

Methods of Instruction:	Lecture, computer lab presentations, discussion
Course materials/bibliography:	<ol style="list-style-type: none"> 1. Brealey, Myers, "Principles of corporate finance", McGraw-Hill, New York, 1996 and newer 2. Francis, Taylor, "Investments", Mc-Graw Hill, New York, 1992 and newer 3. Lease, Kose, Kalay, Loewenstein, Sarig, "Dividend policy – its impact on firm value", Harvard Business School Press, Boston, Massachusetts, 1999 or newer 4. Ross, Westerfield, Jordan "Fundamentals of corporate finance", Mc-Graw Hill, New York, 1998 or newer 5. Ward, Bender, "Corporate financial strategy", Butterworth, Heineman, Oxford, 2002 or newer 6. Aswath Damodaran – Damodaran on valuation, Applied corporate finance, Investment valuation, Dark side of valuation, any edition 7. Course materials – many topics discussed in this course are difficult to find in any textbooks 8. Any books in econometrics covering panel data models, time series analysis, spectral analysis and discriminant analysis (the purpose of this course is only to show their application, not the mathematical or statistical background but students might be interested to read more about them after workshops) <p>Any other book dedicated to corporate finance that covers the topics with the appropriate amount of detail.</p>
Notes / suggestions:	Students must be ready to come to additional classes to deliver their presentations of selected research papers (instead of an exam) – estimated number of extra hours 6, depending on the size of the group.