

## Finance for the decision-making

**Master's degree in:** Business Administration

**Subject:** Organizational strategy

**Credits:** 6 ECTS

**Program:** International MBA - Barcelona - Boston

**Modality:** On-campus Full-Time / Hybrid-Learning

**Semester:** First

**Type:** Mandatory

**Language of instruction:** English

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## Presentation

The importance for the manager to understand the impact of their investment and financing decisions on the company is fundamental. Throughout this course, it will be addressed how to make these decisions in the business sphere, using a quantitative methodology that facilitates the decision-making process. In addition, a foundation of concepts, techniques, tools, models, and methodologies will be provided to provide managers with the generic skills needed to make effective decisions.

Financial statements are considered a crucial tool that reflects the quantitative effects of the company's wealth, economic, and financial management. Therefore, its analysis should identify the causes that influence the development of business management, to identify opportunities for improvement.

Financial planning and budgetary control are processes that, based on the past and present, attempt to provide for the future financial needs of the company. Through the reflection processes that identify and quantify the objectives of the company, the projected or projected financial statements will allow for determining the patrimonial, economic, and financial expectations of the business in the long and short term.

In addition, the monitoring mechanisms make it possible to assess the degree of compliance with the objectives envisaged and to identify, where appropriate, the causes of deviations, which in turn should make it possible to identify corrective actions aimed at generating greater value.

## Program's learning outcomes

The subject-related learning outcomes are distributed as follows:

### 1.1. Knowledge

- |       |   |
|-------|---|
| RAT 1 | The graduate will be able to organize information and data as key elements for decision-making problems in the business environment.                      |
| RAT 2 | The graduate will infer management methods and techniques applicable to business management, through simulations and case studies.                        |
| RAT 3 | The graduate will be able to identify key business problems and their typology, considering real case studies.  |
| RAT 4 | The graduate will describe management techniques in the development of business organizations by means of a written report.                               |
| RAT 5 | The graduate will be able to identify the different stakeholders' interests and needs to maximize business value through market and stakeholder research. |

- RAT 6 The graduate will be able to recognize the threats and opportunities of a company in its strategy to reach international markets by conducting a SWOT analysis.
- RAT 7 The graduate will be able to identify new business opportunities and achieve the generation of sustainable competitive advantages over time, considering potential market research techniques.

## 1.2. Skills

- RAT 8 The graduate will be able to provide clear and precise explanations of any knowledge/information, both orally and in writing, in Catalan, Spanish, and a third language, particularly English.
- RAT 9 The graduate will be able to apply digital technologies (at the right time) in his/her field of expertise.
- RAT 10 The graduate will be able to understand the changes in international environments in the decision-making process of the company's management, writing a report on a real company case.
- RAT 13 The graduate will be able to apply the most relevant research methods in business management and administration, through research-based learning in business management systems.
- RAT 14 The graduate will be able to develop people and talent retention strategies that enable companies to obtain long-term competitive advantages.
- RAT 15 The graduate will know how to solve problems at a business organization's strategic, tactical, and operational levels, considering the interrelation between the different functional and business areas.

## 1.3. Competencies

- RAT 18 The graduate will be able to identify the client's needs for the implementation of a strategy based on data analytics.
- RAT 19 The graduate will be able to identify the implicit volatility of business and financial operations through hedging operations and structured products to minimize financial risk at an international level.
- RAT 20 The graduate will be able to propose innovative, creative and entrepreneurial solutions in situations specific to the professional field.
- RAT 21 The graduate will be able to evaluate the sustainability and social impact of the proposals made with ethical, environmental and professional responsibility.

- RAT 22 The graduate will be able to apply the gender perspective in tasks specific to the professional field.
- RAT 23 The graduate will be able to design an operational plan as an element that generates a competitive advantage for the internationalization of the company, by carrying out a business internationalization project.
- RAT 25 Graduates will be able to adapt changes arising from international environments to the dynamics of company management by studying real cases.

## Subject's learning outcomes

The subject-based learning outcomes for this course are as follows:

- RAM 5 The entitled party/a will be able to explain assertively the financial statements of an enterprise through the internal analysis of the needs of its users and the regulations applicable to the business situation.
- RAM 6 The graduate will be able to properly interpret the economic-financial situation of a company for strategic and tactical decision-making by conducting simulations and practical cases.
- RAM 7 The graduate/a will be able to accurately validate a company's financial diagnosis and evaluate an investment project nationally and internationally.

## Contents

- **Topic 1: Economic and Financial Diagnosis**
  - The Structure of Main Financial Statements
  - Financial Statement Analysis: Financial, Economic, and Asset Analysis
  - Working Capital Management
  - Value Creation
  
- **Topic 2: Economic and Financial Planning**
  - Strategic Business Planning
  - Preparation of Provisional Financial Statements
  - Budget Management
  - The Financial Plan

- **Topic 3: Investment Project Selection**
  - Operating Fund Needs
  - Free Cash Flows
  - Weighted Average Cost of Capital and Risk Management
  - Static and Dynamic Methods for Investment Evaluation
  
- **Topic 4: Financing Decisions**
  - Self-financing
  - Forms of Debt
  - Financial Leverage and the Benefits of Borrowing
  - Effect of Debt on Investment Profitability
  
- **Topic 5: Company Valuation, Mergers, and Acquisitions**
  - Company Valuation Methods
  - Impact of Mergers and Acquisitions in the Business World
  - Difference Between Mergers and Acquisitions
  - Legal and Regulatory Aspects
  - Structuring and Financing
  
- **Topic 6: Financial Markets and Start-up Ecosystems**
  - Financial Markets: Functions
  - Types of Financial Markets
  - Start-up Funding Sources
  - Impact of Financial Markets on Start-up Ecosystems
  - Financial Risks Associated with Start-ups
  - The Specific Case of Fintech
  
- **Topic 7: Business Intelligence**
  - Benefits of Implementing BI in the Financial Field
  - Most Commonly Used Technological Tools
  - Financial Data Analysis with BI
  - Data Visualization
  - Use of KPIs in the Context of BI in Finance



Skills	Project work	Problem-solving searching and processing Presentation of reports and/or work	Information
	Collaborative work	Online debates practical cases Collective analysis	Discussions of
	Case-based learning	Information searching and processing Problem-solving	
Competencies	Game-based learning	Challenges	
	Inquiry-based learning	Research tasks	
	Project work	Report preparation reports or work	Presentation of

## Grading system

### Continuous assessment

Grading system	Weight
Block 1: Exercises, Problems, Report Preparation, Assignments, Presentations	40 %
Block 2: Participation and Oral Presentations	20 %
Block 3: Final Evaluation Test	40 %

Block 1 will consist of:

- Two individual evaluable activities. 10% each.
- Two group projects or reports. 10% each.

Block 2 will consist of:

- Participation and oral presentations – 20%.

Block 3 will consist of:

- An exam - 40%.

The final grade for the course will be obtained by weighting the three blocks. The minimum weighted grade required to pass is 5.0.

If the student fails Block 1 or Block 3 (or both) with a grade lower than 5.0, they may retake that block or blocks. This grade will average with the other blocks, and the maximum final grade the student can receive is 5.0.



If the student is unable to attend the initial evaluation, and can provide a justified reason (see regulations of the University of Lleida), they may take the exam on the date set for recovery.

Students who do not attend evaluative activities with a weight exceeding 50% will receive a general course grade of "Not presented."

#### Alternative Evaluation

The single evaluation consists of a single exam that accounts for 100% of the course. The exam, and therefore the course, is passed with a grade of 5 out of 10 in this final test. If a grade lower than 5.0 is obtained, the student has the right to a recovery exam.

To opt for the single evaluation, it is necessary to send a written request to the coordination during the first 15 business days of the course. The procedure to follow to opt for this single evaluation is established in the specific rules of EAE.

Plagiarism is a fraudulent activity that can lead to severe penalties, both academic and legal. Academic honesty is one of the pillars of the educational commitment of the School, and the members of its teaching community are especially aware and prepared to detect such actions. Given the difficulty often involved in conceptualizing plagiarism, it has been deemed appropriate to clearly define its content and scope in these regulations and policies.

Plagiarism is understood as the appropriation of works or other people's work by passing them off as one's own; that is, without explicitly crediting their origin. Plagiarism can consist of the unauthorized total or partial copying of someone else's work, or presenting the copy as an original work, impersonating the true author. Some examples of plagiarism are:

- Submitting someone else's work as if it were your own, regardless of whether the copy is total or partial.
- Paraphrasing a text by rephrasing it with other words, but making small changes in the language to disguise it and without citing sources.
- Buying or obtaining a work and presenting it as one's own.
- Relying on an idea or phrase from another person to write a new paper without citing the author of the work.

As established in Article 10 of the Academic Code of Conduct for Students at EAE Barcelona, without prejudice to the academic sanctions resulting from its application, the Academic Commission will promote the legal actions that correspond in case plagiarism could violate applicable regulations regarding intellectual property.

## Bibliography

- Kaplan, R.S. & Norton, D.P. Transforming the Balanced Scorecard from Performance Measurement to Strategic Measurement: Part 1. Accounting Horizons, Vol. 15, No. 1, March 2001, pp. 87-104.
- Kaplan, R.S. & Norton, D.P. Transforming the Balanced Scorecard from Performance Measurement to Strategic Measurement: Part 2. Accounting Horizons, Vol. 15, No. 2, June 2001, pp. 147-160
- Martínez Abascal, E. Finance for Managers. Independently published, 2023.
- Ross, S.; Westerfield, R.; Jaffe, J.; Bradford, J.: Modern Financial Management. McGraw-Hill, 2009.