



Financial Management

National University of Sciences & Technology
(NUST)

Course Details:

Course Title: Financial Management

Credit Hours: 3

Course Description:

This course introduces the students to basic concepts in finance to help them develop an understanding of how organizations effectively manage their operating and fixed assets and fund them with an optimal mix of debt and equity financing. Topics include asset valuation, investment and financing decisions, risk and return tradeoffs and fundamentals of international financial management. The contents of this course will be supplemented by the Corporate Finance course to be taken in the next semester.

Course Learning Outcomes:

By the end of this course, the student should be able to:

CLO 1. *Interpret* the key concepts in finance for management of financial resources.

CLO 2. *Make use of* different methods of valuation of shares and bonds for pricing of securities.

CLO 3. *Apply* appropriate methods of calculating required rate of return given the risk of securities.

CLO 4. *Analyze* solutions to minimizing agency problems.

CLO 5. *Inspect* the different forms of market efficiency.

CLO 6. *Compare* various investment appraisal techniques to select projects.

Program Goals & Learning Objectives:

Goals & learning objectives of the EMBA Program are:

Goal 1: Students will be capable of critical thinking

LO 1.1: Students will be able to solve problems with the application of business knowledge.

LO 1.2: Students will be able to evaluate competing decision criteria and alternatives

Goal 2: Students will demonstrate leadership skills

LO 2.1: Students will be able to develop the ability to lead and manage in teams

LO 2.2: Students will be able to make sound decisions Goal 3: Students will learn to communicate effectively

LO 3.1: Students will be able to communicate effectively in oral presentations

LO 3.2: Student will be able to create professional reports

Goal 4: Students will deal with the ethical dilemmas that arise in a business environment

LO 4.1: Students will be able to identify ethical concerns emanating from a business situation

LO 4.2: Students will be able to apply ethical guidelines to address business problems by examining a set of alternatives

Mapping - CLOs with Los

Learning Objective	LO 1.1	LO 1.2	LO 2.1	LO 2.2	LO 3.1	LO 3.2	LO 4.1	LO 4.2	Not mapped
CLO 1	✓								
CLO 2	✓								
CLO 3	✓								
CLO 4	✓								
CLO 5	✓								
CLO 6	✓								

Note: ✓ indicates mapped and assessed CLO, ● indicates mapped but not assessed CLO and X indicates unmapped.

Required Course Material:

Textbook (s):

The required text for this course is following:

Financial Management: theory and practice by Brigham and Ehrhardt. 16th Edition.

Other Material:

I will give also share copies of practice questions and case studies as we go along.

Course Evaluation:

Grading will be done as per NBS criteria. The breakup of the grade points is as follows:

Midterm Examination	15%
Final Examination	25%
Quizzes	20%
Assignments	25%
Project	15%

Weekly Schedule:

Week	Lecture No. and Topic	Preparation Material	Session Outcomes (Students should be able to...)
1	An overview of financial management and financial environment	Chapter 1, Brigham and Ehrhardt (2016)	Appreciate what financial management is all about. CLO 1,6
2	Time value of Money	Chapter 4, Brigham and Ehrhardt (2016)	Understand time value of money. CLO 3
3	Bond, bond valuation and interest rates	Chapter 5, Brigham and Ehrhardt (2016)	Value bonds and understand how interest rates impact bond valuation. CLO 3
4	Valuation of stocks and corporations	Chapter 7, Brigham and Ehrhardt (2016)	Value shares and companies. CLO 3
5	Working Capital	Chapter 15, Brigham and Ehrhardt (2016)	Understand working capital management. CLO 1
6	Case study	Destron Petroleum Services	Understand time value of money. CLO 3
7	Cost of capital	Chapter 9, Brigham and Ehrhardt (2016)	Understand and quantify cost of capital. CLO 4
8	Principles of Capital Investment	Chapter 8, Brigham and Ehrhardt (2016)	Conduct investment appraisal. CLO 5
9	<u>MID-TERM EXAM WEEK</u>		
10	Risk and return	Chapter 6, Brigham and Ehrhardt (2016)	Understand the relationship between risk and return. CLO 4
11	Risk and return	Chapter 6, Brigham and Ehrhardt (2016)	
12	The basics of capital budgeting: Evaluating cash flows	Chapter 10, Brigham and Ehrhardt (2016)	Understand the difference between profits and cash flows. Conduct investment appraisal. CLO 5
13	The basics of capital budgeting: Evaluating cash flows	Chapter 10, Brigham and Ehrhardt (2016)	Understand the difference between profits and cash flows. Conduct investment appraisal. CLO 5

14	Capital structures	Chapter 9, Brigham and Ehrhardt (2016)	Determine optimal capital structure. CLO 1
15	Efficient market hypothesis	Chapter 11, Brigham and Ehrhardt (2016)	Understand market efficiency. CLO 2
16	Guest Lecture by the SECP	To be announced	CLO 1,6
17		BUFFER WEEK	
18	<u>FINAL EXAM WEEK</u>		
