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UNIVERSITAT POLITÈCNICA
DE CATALUNYA
BARCELONATECH

FINANCES FOR DECISION MAKING. TEACHING GUIDE

[2022-2023]

**“UNIVERSITY MASTER’S PROGRAM IN BUSINESS ADMINISTRATION
AND MANAGEMENT”**

GENERAL DETAILS

Name:	Finances for Decision Making
Code:	801506
Academic Year:	2022-23
Degree:	University Master's Program in Business Administration and Management
No. of credits (ECTS):	5
Requirements:	No previous requirements
Location in the curriculum:	1st quarter
Last revision date:	September 2022
Lecturer in Charge:	Ph. D. Magda Cayón Costa / Prof. Daniel Benito Sánchez

1 GENERAL DESCRIPTION

This subject area aims for the student to put themselves in the place of financial management of a company or organization as a member of the important management departments. The main objective of the approach, the tools provided and the cases proposed during teaching are to prepare the student to be able to analyse the company's financial situation and subsequently be able to make decisions in the 3 most important aspects of finance:

- Company's financial-equity and economic diagnosis.
- Management efficiency measured through costs.
- Viability of new investments.

2 OBJECTIVES

- Provide students with a comprehensive perspective of the main aspects on which Finance is based in a company, organization, association or NGO.
- Make known and teach how to apply the techniques and tools of the analysis and description of the financial and economic equity situation of the company, the control of the management and the viability of new investments.
- Show students the advantages of carrying out management of finances by management and demonstrate the importance for decision-making and for efficiency in jobs of having knowledge of company finances.
- Provide students with situations, problems and solutions on making financial management decisions within the company.

3 CONTENTS

BLOCK 1:

UNIT 1: COMPANY'S ECONOMIC AND EQUITY DIAGNOSIS

Learning outcome:

- Analyse in depth a company's annual accounts, differentiating their interpretation depending on the type of company.
- Diagnose the financial / equity and economic situation of the company distinguishing different business realities
- Recommend future actions based on the financial and economic diagnosis determined

Contents:

- 1.1. Main sources of economic and equity information of the company. Analytical balance and analytical income statement
- 1.2. Main tools used for the economic and equity diagnosis: financial and economic ratios

BLOCK 2:

UNIT 2. BUSINESS EFFICIENCY ANALYSIS

Learning outcome:

- Categorize the company's main sources of costs.
- Determine the unit cost of the product or service that the company offers by the different existing standard systems.
- Plan a budget and projections of future needs.

Contents:

- 2.1. Main sources of business cost information.
- 2.2. Cost concept as the main protagonist.
- 2.3 Classification and treatment of business costs.
- 2.4 Cost management systems: advantages and disadvantages.
- 2.3. Balanced Scorecard. Introduction.

BLOCK 3:

UNIT 3. FINANCES

Learning outcome:

- Design a company's financial planning.
- Distinguish the usefulness of the different treasury management tools in order to recommend the best option in different business cases.

Contents:

- 1.1. Finance concept. Structural and operational finance.
- 1.2. Analysis of the value chain through finance.
- 1.3. Treasury management. Distinction between the different levels.
- 1.4. Financial planning
- 1.5. Valuation of companies and stock valuation models.

BLOCK 4:

UNIT 4. INVESTMENT VIABILITY

Learning outcome:

- Determine the economic flows generated by an investment.
- Choose the most appropriate source of financing for an investment project.
- Assess and justify the economic viability of an investment in order to recommend an investment among different options.

Contents:

- 4.1. Investment project. Definition and characteristics.
- 4.2. Classic criteria for the analysis of investment projects.
- 4.3. Classification of investment projects.
- 4.4 Treatment of anomalies that investment projects may present.
- 4.5 Specific analysis criteria in project anomalies.
- 4.6 Financing project. Definition and characteristics.
- 4.7 Analysis of the main sources of financing.

4 TEACHING AND LEARNING METHODOLOGY

Teaching is carried out through a series of face-to-face sessions, whose spirit is to combine theory and practice in a balanced way, complemented with a series of didactic materials (manual and presentation), exercises and cases for their resolution, facilitated online and with feedback, also online, using the MUADE program's own platform as digital support.

The face-to-face activities will be carried out through:

- Presentation by the lecturers of the theoretical contents of the different themes of the subject area. Prior reading (by the student) of the reference manual for each theme that is available in the virtual classroom is essential.
- Discussion of contents.
- Application of the concepts and methodologies to practical examples.

Learning will be consolidated by working on the exercises and cases that will be provided online, evaluating it and providing feedback to the student on its scope.

5 ASSESSMENT

In accordance with the Bologna Plan, the model rewards the constant and continuous effort of the student body. For the 2021-22 academic year, 60% of the grade for the subject area is obtained from the continuous evaluation of the supervised activities and the remaining 40% from the final exam. There is a notice for the final exam.

The final mark for the subject area (FM) will be calculated from the following formula:

- **FM = Final Exam Mark x 40% + Continuous Assessment Mark x 60%**
- Minimum mark of the final exam to calculate the FM will be 40 points out of 100.
- The subject area is passed with a FM equal to or greater than 50 points out of 100.

6 BIBLIOGRAPHY

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