



# Course Specifications

|                      |                          |
|----------------------|--------------------------|
| <b>Course Title:</b> | <b>Corporate Finance</b> |
| <b>Course Code:</b>  | <b>FIN 552</b>           |
| <b>Program:</b>      | <b>MBA</b>               |
| <b>Department:</b>   | <b>Finance</b>           |
| <b>College:</b>      | <b>CBA</b>               |
| <b>Institution:</b>  | <b>PSU</b>               |

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## A. Course Identification

|   |
|---|
| <b>1. Credit hours:</b> <b>3 hours</b>  |
| <b>2. Course type</b>   |
| a.            University <input type="checkbox"/> College <input type="checkbox"/> Department <input checked="" type="checkbox"/> Others <input type="checkbox"/> |
| b.                            Elective <input checked="" type="checkbox"/> Required <input type="checkbox"/>  |
| <b>3. Level/year at which this course is offered:</b> <b>Year 1, Semester 2</b>   |
| <b>4. Pre-requisites for this course (if any):</b>  |
| <b>FIN 550</b>  |
| <b>5. Co-requisites for this course (if any):</b>   |

### 6. Mode of Instruction (mark all that apply)

| No | Mode of Instruction   | Contact Hours | Percentage |
|----|-----------------------|---------------|------------|
| 1  | Traditional classroom | 45            | 100%       |
| 2  | Blended               |               |            |
| 3  | E-learning            |               |            |
| 4  | Correspondence        |               |            |
| 5  | Other                 |               |            |

### 7. Actual Learning Hours (based on academic semester)

| No                           | Activity                        | Learning Hours |
|------------------------------|---------------------------------|----------------|
| <b>Contact Hours</b>         |                                 |                |
| 1                            | Lecture                         | 45             |
| 2                            | Laboratory/Studio               |                |
| 3                            | Tutorial                        |                |
| 4                            | Others (specify)                |                |
|                              | <b>Total</b>                    |                |
| <b>Other Learning Hours*</b> |                                 |                |
| 1                            | Study                           | 15             |
| 2                            | Assignments                     |                |
| 3                            | Library                         |                |
| 4                            | Projects/Research Essays/Theses | 10             |
| 5                            | Others (specify)                |                |
|                              | <b>Total</b>                    | 25             |

\* The length of time that a learner takes to complete learning activities that lead to achievement of course learning outcomes, such as study time, homework assignments, projects, preparing presentations, library times

## B. Course Objectives and Learning Outcomes

### 1. Course Description

The course is an advanced level of corporate finance and finance functions. Topics include project analysis, Risk Return and Capital Budgeting, payout policy, debt policy, corporate financing, real options, mergers and acquisition, risk management & company's valuation.

### 2. Course Main Objective

On the successful completion of this course, students will be able to demonstrate the following:

The primary objective of this course is to learn how to solve complex problems and issues facing a financial manager within a corporation. Therefore, financial managers should be well educated to achieve this goal through sound financial decisions. The secondary goal of this course is to help students in acquiring important skills in communication and presentation both written and oral and how to work efficiently in a team. The course includes application on Risk Return and Capital Budgeting, project analysis, payout policy, does debt policy matters, Corporate Financing, real options, mergers and acquisition, risk management & company's valuation.

### 3. Course Learning Outcomes

| CLOs     |   | Aligned PLOs  |
|----------|---|---------------|
| <b>1</b> | <b>Knowledge:</b>   |               |
| 1.1      | Describe a comprehensive, coherent and systematic body of knowledge in the underlying principles and theories associated with Corporate Finance | LO1.1         |
| 1...     |   |               |
| <b>2</b> | <b>Skills :</b>   |               |
| 2.1      | Solve complex problems and issues facing a financial manager within a corporation   | LO3.1         |
| 2.2      | Able to use the project analysis methods in various projects  | NA            |
| 2.3      | Analyze debt policy and corporate financing to determine the value of the company   | NA            |
| 2.4      | Assess the external and internal influences on a corporation's capital structure, payout policy and policy in respect of risk management        | NA            |
| 2.5      | Analyze the situation involve merger and acquisition and managing risk internationally.   | LO5.1         |
| <b>3</b> | <b>Competence:</b>  |               |
| 3.1      | Demonstrate an ability to present ideas and concepts effectively through oral and written communication.  | LO2.1 & LO2.2 |

## C. Course Content

| No           | List of Topics   | Contact Hours |
|--------------|--|---------------|
| 1            | Introduction & Course Syllabus & Assessment Discussion                         | 3             |
| 2            | <b>Chapter 10-</b> Project Analysis  | 3             |
| 3            | <b>Chapter 12-</b> Risk Return and Capital Budgeting                           | 3             |
| 4            | <b>Chapter 14-</b> Introduction to Corporate Financing                         | 3             |
| 5            | <b>Chapter 15-</b> How corporations raise venture capital and issue securities | 3             |
| 6            | Exercises, Problems & Case Study   | 3             |
| 7            | <b>Major 1 (20%)</b>   | 3             |
| 8            | <b>Chapter 16-</b> Debt policy   | 3             |
| 9            | <b>Chapter 17 –</b> Payout Policy  | 3             |
| 10           | <b>Chapter 21-</b> Mergers, Acquisition and Corporate Control                  | 3             |
| 11           | <b>Chapter 24-</b> Risk management   | 3             |
| 12           | <b>Major 2 (20%)</b>   | 3             |
| 13           | Corporate Restructuring  | 3             |
| 14           | <b>Project Submission and Presentation (20%)</b>                               | 3             |
| 15           | <b>Class Revision</b>  | 3             |
| <b>Total</b> |  | <b>45</b>     |

## D. Teaching and Assessment

### 1. Alignment of Course Learning Outcomes with Teaching Strategies and Assessment Methods

| Code | Course Learning Outcomes  | Teaching Strategies   | Assessment Methods                |
|------|---|---|-----------------------------------|
| 1.0  | <b>Knowledge</b>  |   |                                   |
| 1.1  | Describe a comprehensive, coherent and systematic body of knowledge in the underlying principles and theories associated with Corporate Finance | Lecture, cases, discussion and problem solving  | Examination and class discussions |
| 1.2  |   |   |                                   |
| ...  |   |   |                                   |
| 2.0  | <b>Skills</b>   |   |                                   |
| 2.1  | Solve complex problems and issues facing a financial manager within a corporation   | Discussion, problem solving, case study<br>Examinations – essay type, MCQs and group-work case analysis |                                   |
| 2.2  | Able to use the project analysis methods in various projects  |   |                                   |
| 2.3  | Analyze debt policy and corporate financing to determine the value of the company   |   |                                   |
| 2.4  | Assess the external and internal influences on a corporation's capital structure, payout policy and policy in respect of risk management        |   |                                   |

| Code | Course Learning Outcomes   | Teaching Strategies                                      | Assessment Methods   |
|------|--|--|--|
| 2.5  | Analyze the situation involve merger and acquisition and managing risk internationally.                  |  |  |
| 3.0  | <b>Competence</b>  |  |  |
| 3.1  | Demonstrate an ability to present ideas and concepts effectively through oral and written communication. | Group discussion and presentation, individual assignment | Group project and critical analyses in Written assignments and discussions |
| ...  |  |  |  |

## 2. Assessment Tasks for Students

| # | Assessment task*                  | Week Due | Percentage of Total Assessment Score |
|---|-----------------------------------|----------|--------------------------------------|
| 1 | Major 1                           | 7        | 20%                                  |
| 2 | Major 2                           | 12       | 20%                                  |
| 4 | Group Project and Presentation    | 15       | 20%                                  |
| 5 | Final Examination (Comprehensive) | 16       | 40%                                  |
| 6 |                                   |          |                                      |
| 7 |                                   |          |                                      |
| 8 |                                   |          |                                      |

\*Assessment task (i.e., written test, oral test, oral presentation, group project, essay, etc.)

## E. Student Academic Counseling and Support

Arrangements for availability of faculty and teaching staff for individual student consultations and academic advice :

Sunday, Monday, Tuesday and Thursday 11 – 12 pm, Wednesday 5-6 pm

## F. Learning Resources and Facilities

### 1. Learning Resources

|                                |   |
|--------------------------------|---|
| Required Textbooks             | Text Book: <b>Principal of Corporate Finance by Brealy Myers &amp; Marcus, 11th Edition, Mc Graw-Hill. (2015)</b>   |
| Essential References Materials | Ross, Westerfield, and Jordan, 2010, <b>Fundamental of Corporate Finance</b> (9 <sup>th</sup> Edition). McGraw-Hill.<br><br>Financial Management, Theory and Practice, E. F. Brigham and M. C. Ehrhardt, 14 <sup>th</sup> ed.   |
| Electronic Materials           | <a href="http://www.google.com/finance">www.google.com/finance</a> ; <a href="http://www.cnbc.com">www.cnbc.com</a> ; <a href="http://finance.yahoo.com">finance.yahoo.com</a> ; <a href="http://www.investopedia.com">www.investopedia.com</a> ; <a href="http://tadawul.com.sa">tadawul.com.sa</a> , Bloomberg terminal |

|                                 |   |
|---------------------------------|---|
| <b>Other Learning Materials</b> | South-Western.Business Week, Financial Times, WSJ |
|---------------------------------|---|

## 2. Facilities Required

| Item   | Resources   |
|--|---|
| <b>Accommodation</b><br>(Classrooms, laboratories, demonstration rooms/labs, etc.)   | lecture room, computing resources, Bloomberg laboratories, others |
| <b>Technology Resources</b><br>(AV, data show, Smart Board, software, etc.)  | website address, instructions, required participation, etc        |
| <b>Other Resources</b><br>(Specify, e.g. if specific laboratory equipment is required, list requirements or attach a list) |   |

## G. Course Quality Evaluation

| Evaluation Areas/Issues                  | Evaluators               | Evaluation Methods                     |
|--|--------------------------|--|
| Effectiveness of teaching and assessment | Students                 | Student's evaluation survey (SES)      |
| Quality of learning resources            | Students & Peer Reviewer | Focus group discussion                 |
| Extent of achievement of course learning | Chairperson              | Class Observation and general feedback |

**Evaluation areas** (e.g., Effectiveness of teaching and assessment, Extent of achievement of course learning outcomes, Quality of learning resources, etc.)

**Evaluators** (Students, Faculty, Program Leaders, Peer Reviewer, Others (specify))

**Assessment Methods** (Direct, Indirect)

## H. Specification Approval Data

|                            |  |
|----------------------------|--|
| <b>Council / Committee</b> |  |
| <b>Reference No.</b>       |  |
| <b>Date</b>                |  |