



Course Code	Course Title	ECTS Credits
MBA-726	Working Capital Management	7.5
Department	Semester	Prerequisites
School of Business	Fall, Spring, Summer	MBA-612/MBA-622
Type of Course	Field	Language of Instruction
Elective	Finance	English
Level of Course	Year of Study	Lecturer(s)
2 nd Cycle	2 nd	Dr Petros Lois
Mode of Delivery	Work Placement	Co-requisites
Face-to-face	N/A	None
Recommended Optional Programme Components: N/A		

Objectives of the Course:

The objective of the course is to:

Give the students an operational knowledge of Long and Short Term resource allocation strategies used by corporations.

Learning Outcomes:

After completion of the course students are expected to be able to:

1. Prepare cash flow forecasts, and estimate the financial needs of organizations.
2. Calculate and understand the cash operating cycle of organizations, and also the actions taken by businesses to shorten the cycle, subject to any risks that these may cause.
3. Identify optimum order size, set stock reorder levels, establish systems for security of stock and authorization, and consider just-in-time stock management.
4. Assess effective administration of debtors (i.e. accounts receivable), establish a policy on bad debts, assess and monitor customer creditworthiness.
5. Explain the different sources of finance that are used to finance the expansion of business activities.

6. Explain when a business is overtrading, the causes of overtrading, and the possible actions taken to decrease the degree of overtrading.
7. Apply theories and techniques for accounts payable (i.e. creditors) management.

Course Contents:

1. Cash flow forecasts.
2. Cash operating cycle and working capital calculation.
3. Accounts Receivable (i.e. Debtors) Management Models.
4. Accounts Payable (i.e. Creditors) Management Models.
5. Inventory (i.e. Stock) Management Models (EOQ, Re-order level, Just-in-Time, etc).
6. Sources of finance (Bank Overdraft, Loans, etc).

Learning Activities and Teaching Methods:

Lectures, In-Class Exercises and In-Class Discussions.

Assessment Methods:

Presentation, Project, Final Exam.

Required Textbooks/Reading:

Authors	Title	Publisher	Year	ISBN
Eugene F. Brigham and Michael C. Ehrhardt	Financial Management Theory and practice	Thomson Learning	2008	

Recommended Textbooks/Reading:

Lois P.	Case studies			
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