



Course Code ENMA-535	Course Title Finance For High Tech Industries	ECTS Credits 7.5
Prerequisites None	Department Management & MIS	Semester Fall, Spring, Summer
Type of Course Core	Field Finance	Language of Instruction English
Level of Course 2 nd Cycle	Lecturer(s) Dr. Svetlana Sapuric	Year of Study 1 st
Mode of Delivery Face to Face	Work Placement N/A	Co-requisites None

Objectives of the Course:

The main objectives of the course are to:

- This course aims to develop a knowledge and understanding of financial techniques suitable for all commercial organisations and in particular high tech companies.
- Provides an understanding of how financial resources are acquired from external capital markets and generated from internal operations.
- Examines the effective utilisation and control of those funds within a tech company.
- Apply various forecasting techniques to evaluate the short- and long-term needs of an organization
- Assess the capital structure of a high tech organization and relate it to its most desirable capital budgeting based on the cost of capital incurred

Learning Outcomes:

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

1. explain the role and purpose of managing financial activities within an entity;
2. evaluate the overall management of working capital;
3. evaluate and value appropriate sources of finance for particular situations;
4. examine and gauge the capital structure of a firm
5. appraise capital investment through the use of appropriate methods;
6. assess the cost of capital of a firm and the necessary components included
7. examine different dividend policy decisions
8. prepare budgets and use them to control and evaluate organizational performance; and
9. communicate the results of their analysis in an appropriate form to all interested parties

Course Contents:

1. **Overview of principles of finance:** Understanding, in an organizational context, the term "Financial Management", which hinges on three key decision areas: the investment decision, the financing decision, and the payout or dividend decision.
2. **Financial forecasting and planning:** Development of financial plans involving an understanding of three key steps: setting aims and objectives, identifying the options available, and evaluating the options and making a selection.
3. **Analyzing and interpreting financial statements:** Preparing the three key financial statements: income, balance sheet and cash flow statements of tech companies and demonstrating how financial, or accounting, ratios can help in assessing the financial position and financial performance of an organization.
4. **Risk and Rates of Return:** Analyzing and examining investment appraisal recognizing the potential impact of inflation, risk and the fast-changing environment in which tech companies operate.
5. **Portfolio Analysis:** Further examining the return and risk for a portfolio of financial securities and learning to critically evaluate different investments an organization faces based on its risk/return profiles and its comparisons to the CAPM
6. **Capital structure decision:** Utilize available models to calculate the cost of capital and identify the factors that need to be considered when deciding upon the capital structure of an organization. Operating, Financial Leverage
7. **Dividend policy:** Examining the alternative dividend policies available to an organization and the possible impact of these on the attitude of shareholders to investing in the organization and the returns they require.
8. **Financing a Tech Business - Equity Valuation:** Analyzing the characteristics of different types of stocks available to investors and the various valuation techniques that accompany stocks based on their growth patterns.
9. **Financing a Tech Business - Bonds Valuation:** Assess the use and applications of bonds, considering their yield to maturity, face values and prices, and demonstrate the ability to value common and zero-coupon bonds.
10. **Cost of Capital:** Examines the cost of capital incurred, weighted average cost of capital, including cost of equity and cost of debt.
11. **Mergers and Acquisitions:** examining the different models of mergers and acquisitions and the common principles applied in tech industries

Learning Activities and Teaching Methods:

The teaching method will be of lecture, discussion, case studies, and problem solving type. The lecture will focus on the major and more complex points introduced in each chapter and the related analysis of the problems presented. You need to get your student MyNotes login name and password so you can have access to the on-line material. The material includes notes, exercises and solutions to exercises. Students are urged to have familiarity with the assigned chapter before the lecture, as it will greatly enhance the learning experience. After the lecture, students should review their notes and work out the relevant problems and questions. Regular attendance and participation is essential for successful completion of the course. Those who are absent for 20% or more of the course will be withdrawn. If you miss a class you are responsible to obtain the notes from one of you classmates.

Assessment Methods:

Coursework/Case study, Midterm exam, Final Exam

Required Textbooks / Reading:

Title	Author(s)	Publisher	Year	ISBN
Principles of Managerial Finance	Gitman, Lawrence J	Pearson	2014	978-1-292-01820-1

Recommended Textbooks / Reading:

Title	Author(s)	Publisher	Year	ISBN
Investments	Bodie, Z., Kane, A. and Marcus, A.	Pearson	2014	978-1-292-01820-1
Financial Management: Theory and Practice	Brigham E. and Ehrhardt M.	South-Western College Publishing	2013	978-1111972202