

**Western Technical College**

**10114156 Managerial Finance**

**Course Outcome Summary**

**Course Information**

<b>Description</b>	Students apply accounting and financial ratios to solve corporate financial strategic planning problems. By learning how to analyze cash flows, determine net present values, internal rates of return, etc., students develop the ability to evaluate corporate investment opportunities. Students will prepare a financial analysis to determine if the venture should be undertaken.
<b>Career Cluster</b>	Finance
<b>Instructional Level</b>	Associate Degree Courses
<b>Total Credits</b>	3
<b>Total Hours</b>	54

**Textbooks**

*Practical Financial Management-with Access*. 8th Edition. Copyright 2017. Lasher, William. Publisher: Cengage Learning. **ISBN-13**: 978-1-305-63754-2. Required.

**Learner Supplies**

Texas Instruments, BA II PLUS Financial Calculator. (The financial calculator is specifically designed to perform time-value-of-money functions, calculate net present values, calculate internal rates of return, and make other financial calculations nearly automatic) - \$30. **Vendor**: Campus Shop. Optional.

**Success Abilities**

1. Cultivate Passion: Enhance Personal Connections
2. Cultivate Passion: Expand a Growth-Mindset
3. Live Responsibly: Develop Resilience
4. Live Responsibly: Embrace Sustainability
5. Live Responsibly: Foster Accountability
6. Refine Professionalism: Act Ethically
7. Refine Professionalism: Improve Critical Thinking
8. Refine Professionalism: Participate Collaboratively

9. Refine Professionalism: Practice Effective Communication

## Program Outcomes

1. Analyze financial statements
2. Create reports.
3. Analyze investments.
4. Develop short and long term personal goals
5. Demonstrate an understanding of the role of financial institutions
6. Create and analyze budgets
7. Recognize the interconnectedness of the global economy

## Course Competencies

### 1. Describe the purpose of financial management.

#### Criteria

*Your performance will be successful when:*

- 1.1. Learner passes quizzes and examinations with at least 70 percent accuracy.

#### Learning Objectives

- 1.a. Describe the forces that will affect financial management in the future.
- 1.b. Explain the role of financial management in a firm's organization.
- 1.c. Explore the relationships between financial managers and their colleagues in accounting, marketing, production, and human resource departments.
- 1.d. Ascertain the ways financial managers contribute to the attainment of a firm's goals.

### 2. Demonstrate the ability to maximize the value of a firm's stock through financial analysis.

#### Criteria

*Your performance will be successful when:*

- 2.1. Learner passes quizzes and examinations with at least 70 percent accuracy.

#### Learning Objectives

- 2.a. Compute current cash flows.
- 2.b. Estimate future cash flows.
- 2.c. Decide which actions to take to increase future cash flows.

### 3. Analyze financial statements to improve performance and forecast earnings, dividends, and stock prices.

#### Criteria

*Your performance will be successful when:*

- 3.1. Learner passes quizzes and examinations with at least 70 percent accuracy.

#### Learning Objectives

- 3.a. Compare the firm's performance to that of other firms in the same industry.
- 3.b. Calculate the financial ratios for a firm.
- 3.c. Evaluate trends in the firm's financial position over time.

### 4. Perform risk-return analyses.

#### Criteria

*Your performance will be successful when:*

- 4.1. Learner passes quizzes and examinations with at least 70 percent accuracy.

### Learning Objectives

- 4.a. Define risk as it relates to investments.
- 4.b. Measure risk of an asset.
- 4.c. Discuss the relationship of risk and return.

## 5. Manage capital structures and dividends.

### Criteria

*Your performance will be successful when:*

- 5.1. Learner passes quizzes and examinations with at least 70 percent accuracy.

### Learning Objectives

- 5.a. Assess the firm's capital structure
- 5.b. Choose the optimal capital structure
- 5.c. Explain dividend fundamentals

## 6. Demonstrate an understanding of the time value of money.

### Criteria

*Your performance will be successful when:*

- 6.1. Learner passes quizzes and examinations with at least 70 percent accuracy.

### Learning Objectives

- 6.a. Calculate future values of money.
- 6.b. Calculate present values of money.
- 6.c. Solve time value of money problems for the interest rate and time.
- 6.d. Compute annuity and perpetuity problems.
- 6.e. Calculate uneven cash flow problems.

## 7. Estimate the impact of the time value of money on stock prices.

### Criteria

*Your performance will be successful when:*

- 7.1. Learner passes quizzes and examinations with at least 70 percent accuracy.

### Learning Objectives

- 7.a. Calculate the present value of stock based on current prices and dividends.
- 7.b. Calculate the future value of stock based on current prices and dividends.

## 8. Estimate the cost of capital, sometimes referred to as the hurdle rate.

### Criteria

*Your performance will be successful when:*

- 8.1. Learner passes quizzes and examinations with at least 70 percent accuracy.

### Learning Objectives

- 8.a. Calculate the weighted average cost of capital.
- 8.b. Calculate the after-tax cost of debt.
- 8.c. Compute the cost of preferred stock
- 8.d. Compute the cost of retained earnings.
- 8.e. Use the capital asset pricing model to estimate the required rate of return on common stock.
- 8.f. Determine the risk-adjusted cost of capital for a given project.

## 9. Perform capital budgeting functions.

### Criteria

*Your performance will be successful when:*

- 9.1. Learner passes quizzes and examinations with at least 70 percent accuracy.
- 9.2. Learner completes a capital project analysis using MS Excel.

### Learning Objectives

- 9.a. Generate ideas for capital projects.
- 9.b. Utilize MS Excel to evaluate capital projects.
- 9.c. Classify projects for further analysis.
- 9.d. Calculate the payback period.
- 9.e. Calculate the net present value.
- 9.f. Calculate the internal rate of return.
- 9.g. Calculate the marginal internal rate of return.
- 9.h. Evaluate mutually exclusive projects.

**10. Estimate cash flows associated with capital budgeting projects.**

**Criteria**

*Your performance will be successful when:*

- 10.1. Learner passes quizzes and examinations with at least 70 percent accuracy.

**Learning Objectives**

- 10.a. Identify relevant cash flows.
- 10.b. Analyze cash flows as related to projects.

**11. Measure project risk.**

**Criteria**

*Your performance will be successful when:*

- 11.1. Learner passes quizzes and examinations with at least 70 percent accuracy.

**Learning Objectives**

- 11.a. Use sensitivity analysis and scenario analysis to measure project risk.
- 11.b. Justify project risk decisions.