

George Washington University
FINA 4001 — Spring 2024
Advanced Financial Management

https://www.savickas.education/FINA4001_11/

Section #: 11	Professor: Robert Savickas, Ph.D.
CRN: 96343	Office: Funger 501P
Class time: Thu. 19:10–21:40	Office hours: Thu., 14:00–15:00 + online
Class room: Funger 210	Phone: 994–8936
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Description: Analysis and readings covering applications of theory to financial management. Case studies for decision making involving working capital, capital budgeting, financing, dividend policy, and valuation. Prerequisites: BADM 3501, and FINA 3301 or FINA 3001.

Learning Outcomes: Upon completion of this course, students should be able to (1) analyze various business situations, (2) synthesize the knowledge and tools learned in prior GWSB courses and apply them effectively to solve business problems, (3) evaluate their solutions against the alternatives.

Textbook: Higgins, Robert C., *Analysis for Financial Management*, McGraw–Hill.

Case book: A collection of cases, available for purchase directly from Cognella (please see class website for details). To minimize unauthorized copying of the case book, each student who presents the instructor with a copy of order receipt from Cognella will receive points towards his or her grade, as specified in the “Grading” section of this syllabus.

Background Requirements: Basic knowledge of finance, accounting, economics, as well as other business disciplines will be helpful to students.

Case solutions: This is a course that focuses on *application* of financial and other business and economic concepts in the context of actual business decisions. Therefore, students are expected to go beyond mere memorization and to be able to thoroughly understand and to creatively apply the financial and other business concepts they learn in Business School. This will be gauged by the students’ ability to materially contribute to our in-class solutions to the cases (see the schedule below for the list of cases). Before each class, in which we discuss a case, students must study the case, analyze the problem at hand and the possible solutions, design their own solution, and develop any supporting analysis. In class, students will have an opportunity to share their ideas, while the instructor and the classmates will attempt to find weak points. Students should be prepared to meaningfully defend their solution. Well motivated ideas that are difficult to discredit will become part of our joint solution to the case. Each student who tangibly contributed and defended a winning idea will receive a participation award worth up to four points *per case*. In the end of each joint case discussion, the instructor will present his solution to the case. Specific rules for case discussions are available on the class website.

Grading: Midterm Exam: 37%; Final Exam: 38%; *Case solutions: 24%; **Case book order: 1%.
*Please see the “Case solutions” section of this syllabus.
**Please see the “Case book” section of this syllabus.

Questions: Please feel free to ask questions during lectures, office hours, or by e–mail.

Consent: A student's staying in this class (as opposed to withdrawing from it) indicates his/her understanding of and willingness to comply with all the terms listed in this syllabus.

Class portal: Please see the URL at the top of this syllabus. The portal serves as a medium for online lectures and exams and for posting of handouts, possible extensions to the lecture material, class announcements and materials, etc. Additionally, it can serve as a small online community for the class, complete with user profiles, class chat, blogs, etc. Please note: this portal is built, hosted, and maintained by R. Savickas and is not associated with the Prometheus or Blackboard.

GWU Policy on Religious Holidays: 1. Students should notify faculty during the first week of the semester of their intention to be absent from class on their day(s) of religious observance. 2. Faculty should extend to these students the courtesy of absence without penalty on such occasions, including permission to make up examinations. 3. Faculty who intend to observe a religious holiday should arrange at the beginning of the semester to reschedule missed classes or to make other provisions for their course-related activities.

GWU Policy on Disability: Any student who may need an accommodation based on the potential impact of a disability should contact the Disability Support Services office at 202-994-8250 in the Rome Hall, Suite 102, to establish eligibility and to coordinate reasonable accommodations. For additional information please refer to gwired.gwu.edu/dss/

GWU Policy on Mental Health: The University's Mental Health Services offers 24/7 assistance and referral to address students' personal, social, career, and study skills problems. Services for students include: crisis and emergency mental health consultations confidential assessment, counseling services (individual and small group), and referrals. counselingcenter.gwu.edu/

GWU Academic Integrity Code: Academic dishonesty is defined as cheating of any kind, including misrepresenting one's own work, taking credit for the work of others without crediting them and without appropriate authorization, and the fabrication of information. For full text of the Code, see www.gwu.edu/integrity/code.html

Schedule: In the table below, the chapters are from the book by Higgins.

Jan. 18:	Introduction, Assessing Financial Health. Ch. 1, 2.
Jan. 25:	Assessing Financial Health, continued. Ch. 1, 2.
Feb. 1:	Assessing Financial Health, completed. Planning Financial Future. Ch. 3, 4.
Feb. 8:	Planning Financial Future, continued. Ch. 3, 4.
Feb. 15:	Planning Financial Future, completed. Ch. 3, 4; The Body Shop case, presented by the instructor.
Feb. 22:	*Costco Wholesale, case A class analysis.
Feb. 29:	*Costco Wholesale, case B class analysis.
Mar. 7:	Financing/Capital Structure, Dividend Policy. Ch. 5, 6.
Mar. 21:	*Kelly Services, Inc. case class analysis.
Mar. 28:	Midterm Exam.
Apr. 4:	*Gainesboro Machine Tools case class analysis.
Apr. 11:	Cost of Capital, Valuation, and Discounted Cash Flows. Ch. 7, 8.
Apr. 18:	*Valuing Wal-Mart case class analysis.
Apr. 25:	*Baidu.com, Inc. case class analysis.
TBA:	Final Exam.

*Students should be prepared to take part in solving this case together in class.