

CENTER FOR INTERNATIONAL PROGRAMS & SUSTAINABILITY STUDIES

Course name: Finance for non-financial managers.

Course code: MGMT-3010

Total contact hours: 48

COURSE DESCRIPTION

This course provides students with a basic understanding of financial management. It teaches how to read and understand key elements of accounting and financial statements and reports, such as balance sheets, income statements, financial ratios and cash flow statements and how to apply them outside the class room. Students will also learn how to apply basic financial and accounting principles to budget preparation and analysis. They will also understand the concept of inflation and the importance of the purchasing power of money over time.

Course prerequisites

None.

Audience

This course is structured for International Students attending the Study Abroad program at Universidad Veritas. However, courses are not exclusive to foreigners so a few native students could enroll in this course. Some of the courses are also taught in Spanish as part of our Bachelors in Sustainability Management.

Attendance

Students are only allowed a total of 2 nonconsecutive (back to back) absences. The student will fail the course if he/she has more than two absences. Students will have a 0 on any assignment evaluated in class (presentations, evaluations, field trips, etc.) if he/she is absent unless the student presents an official document no later than one week after the absence. If the student presents an authoritative report to excuse the absence, he/she must submit the missed assignment on that same day. An unjustified absence to a field trip will immediately mean losing all of the points assigned to the field trip. If an official document is presented for the field trip absence students will have to present a research assignment to obtain 50% of the points. The only exception to this rule is when two-course field sessions collide in programming. Students can then opt for doing a research assignment not to lose any points on the field trip they don't attend but it must be coordinated ahead of time with the professors.

Three late arrivals to class (within the first 15 minutes) are treated as one absence. If you come to class 30 minutes late without an official justification document, it will also count as an absence.

Code of conduct

Professors have the right to expel a student from the classroom should he / she:

- Is disruptive in the classroom.
- Behave in a disrespectful way.
- Is under the influence of alcohol or even smell like alcohol.

- Is under the influence of any illegal drug.
- Shows hygiene problems that may disturb other students.

Electronic devices

The use of cell phones, smart phones, or other mobile communication devices is disruptive, and is therefore prohibited during class. **Please turn all devices OFF and put them away when class begins.** Devices may be used ONLY when the professor assigns a specific activity and allows the use of devices for internet search or recording. Those who fail to comply with the rule must leave the classroom for the remainder of the class period.

This is a theoretical-practical course and its goal is to answer the following question:

How to read and understand basic accounting and financial statements as well as other financial tools to apply them in real life?

In order to answer this question, this course will cover the following:

- Financial Statement Analysis.
- Time, Money and Interest rates.
- Investor's behavior and capital market efficiency.
- Short Term Financing.
- Long Term Financing.
- Special topics: Country risk, exchange rate risk.

As we advance in this course, the following skills will be encouraged:

- Analytical thinking.
- Clear and effective communication.
- Efficient use of economic and business' tools in the decision making analysis.
- Application of ethical principles in business administration.
- Ability to integrate practical, social and finance analysis to different productive sectors, taking into account the objectives of a finance manager.

Values and attitudes:

- Teamwork and leadership
- Systemic thinking
- Logical and communicative intelligence
- Problem solving
- Learning how to learn

Competencies, criteria and evidence

At Veritas University competencies are reflexive and integrated actions that respond to the professional profile and to context issues ideally and ethically through the integration of abilities, skills and knowledge. What follows are the discipline and core competencies and their correspondent key competencies and evidence of learning for this course.

Table 1. Disciplinary and general competencies, linked to their performance criteria and performance evidences for this course.

Competencies	Performance criteria (Sub-competences)	Evidence of performance
Disciplinary Integrates the use of basic financial tools and concepts to apply them in real life, considering the field theory.	Integrates the analyses of financial statements, financial ratios and free cash flows.	Round table. Individual and group Presentations. Final project.
	Integrates the main concepts and tools of capital budgeting evaluation.	Round table. Individual and group Presentations. Final project.
	Integrates risk analysis, considering real life context. .	Round table. Individual and group Presentations. Final project.
Generals (Skills) Integrates knowledge, skills and attitudes to learn continuously and through one's life pursuing an efficient development in the knowledge-based society.	Learning to learn	Round table. Individual and group Presentations. Final project.
Builds the necessary knowledge, skills and attitudes to learn how to communicate orally and in written form in the different disciplines that make up the curriculum.	Communicate thoughts of the discipline orally, iconically, and in written form.	Round table. Individual and group Presentations. Final project.
Integrates the necessary knowledge, skills, and attitudes to learn teamwork and leadership techniques.	Execute teamwork and leadership.	Round table. Individual and group Presentations. Final project.
Integrates the necessary knowledge, skills and attitudes to learn interpersonal communication techniques	Relate well to others. Manage responsibly. Listen attentively	Round table. Individual and group Presentations. Final project.

Content

Topic 1: Introduction to the course. Introduction to Financial Statement Analysis: The Balance Sheet, the Income Statement and the Cash Flow.

Text book Chapter 1.

Topic 2: Financial Statement Analysis. Part I: Profitability Ratios, Liquidity Ratios, Working Capital Ratios, Interest Coverage Ratios, Leverage Ratios and Valuation Ratios.

Text book Chapter 1.

Topic 3: Financial Statement Analysis. Part II: Profitability Ratios, Liquidity Ratios, Working Capital Ratios, Interest Coverage Ratios, Leverage Ratios and Valuation Ratios.

Text book Chapter 1.

Topic 4: Time, Money and Interest rates. Part I: Interest rates and the time value money. Net present value's concept. Future Value's concept and Cash Flows Analysis.

Text book Chapter 3 and 4.

Topic 5: Time, Money and Interest rates. Part II: Interest rates and the time value money. Net present value's concept. Future Value and Cash Flows Analysis.

Text book Chapter 3 and 4.

Topic 6: Time, Money and Interest rates: The determinants of interest rates, the opportunity cost of capital, risk and taxes.

Text book Chapters 5

Topic 7: Investor's behavior and capital market efficiency.

Text book Chapter 13

Topic 8: Short Term Financing. Part I

Text book Chapter 27

Topic 9: Short Term Financing. Part II

Text book Chapter 27

Topic 10: Long Term Financing. Part I.

Text book Chapter 23

Topic 11: Long Term Financing. Part II.

Text book Chapter 23

Topic 12: Special topics: Country risk, exchange rate risk.

Text book. Part of Chapters 30 and 31.

Topic 13: Course summary

Methodology

The student will be subject to a process of "learn to learn ". By doing so they will be exposed to economics and business tools presented in class relevant to the course, real live experiences coming from guest speakers and field trips to organizations and businesses related to this course topic.

Learning strategies

1. Presentations:

These aspects will always be taken into account for presentations:

- Preparation and content: topic relevance, knowledge assimilation, answers to classmates' and professor questions, and content deepness due to evident research.
- Organization and style: smoothness, independence from notes and devices, speaking clarity, slides clarity and aesthetics, text and images balance.
- Time limit respect: each presentation has a time limit; students will be informed about this in advance.
- Personal opinion: robust personal opinion reflecting serious analysis of the topic and previous research.
- Punctuality: presentations must be presented on the assigned date, not following this rule means a grade of 0% on that particular presentation unless the absence or lack of assignment is properly justified.

2. The round table

The round table is a space dedicated to promoting oral expression techniques and research on different topics. The idea is that a group of students prepares a topic relevant to the course that preferably generates ideas or points of view equal or contradictory in order to generate new learning.

The group of students that can be made up of 4 to 6 people who should investigate as much as possible about the assigned topic, sit face to face with the other groupmates in order to create a "roundtable" panel. The members of the group choose a person who acts as moderator and opens the round table, announces the theme and respective sub-themes, introduces the members of the group and indicates the order in which each member will expose, launches the questions already planned between the different subtopics and generates notes that serve as closure or conclusions; in addition, the moderator must show adequate emotional management, be impartial, keep the group together.

The maximum recommended duration is 60 minutes (45 minutes of discussion between the presentation of the topic, sub-themes and questions launched by the moderator, and 15 minutes of closure - which is also done by the moderator). To make the round table, each group must be clear about the assigned topic, prepare and investigate about it, prepare written information and brief presentations in order to fully understand the topic and the respective subtopics; generate a closure with the synthesis and conclusions that emerge from the activity.

3. Final project

Each student chooses a final project in accordance to the course leaning experience. The professor will have to approve it.

The final project is developed along the course, the professor guides the process and assesses the results. Presenting time plus questions and discussion will be 30 minutes' maximum, depending of the amount of students enrolled. The final project represents 40% of total grade. Several class sessions will be dedicated to check and guide the project advances. Presentations must be uploaded to Canvas on deadline (before presenting). Field trips promote students' assimilation, reflection and the internalization of knowledge, sensitizing through observation and interaction. In addition, the theory addressed in class will be extensively exemplified and analyzed in the sites visited. This process promotes a critical thinking and put into practice the capacity to make decisions during the process of learning to learn.

Students will do research using class material, guest speakers' visits and field trip to elaborate their final presentation. It will relate to a specific country and a specific non-exhaustible resource of energy to be utilized by the chosen country. This will allow students to exercise their capacities to communicate in a clear and well-articulated manner.

Students will exercise the capacity for critical thinking and oral and written expression through the presentation of reports and class' discussions. There will also be two guest speakers who will discuss issues related to the course.

Teaching resources

The students will have access to VERITAS' libraries and free access to wireless internet in order to get needed information. The professor will also provide readings and other sources of information that will be posted in VERITAS-CANVAS. All class rooms are fully equipped to assist students in their learning process.

Learning evaluation:

Indicator	Grade
A –Class participation and two Round tables	60%
B-Final Research Project and Presentation.	40%
Final grade:	100%

Rubric for class participation and round tables. 60%

Criteria	Insufficient (69% or less)	Good (70% up to 79%)	Excellent (80% up to 100%)	Observations
Relevance: to what degree ideas, data and arguments relates to the topics under consideration.	Irrelevant participation or very little relevant.	Relevant participation but not extraordinary.	Extraordinary ideas and analysis.	
Clarity: Does the participation conveys clear ideas and arguments?	Participation hard to understand	Participation with clear and orderly ideas.	Extraordinary articulation of ideas and excellent communication with the group.	
To what degree is the presentation assisted with relevant data and statistics?	It lacks data and literature relevant to the presentation.	Presentation assisted with some data and literature.	Presentation assisted with extraordinary amount of data and literature.	
Coordination among team members of the group making the presentation interesting and well organized.	Poor coordination among members of the group.	Good coordination among members of the group.	Extraordinary coordination among members of the group	

Rubrics to evaluate The Final Research Project and Presentation. Total value 40%. With the elaboration of an Entrepreneurship and Small Business Management final project the student will have the opportunity to apply knowledge and ideas from class discussions and readings as well guest speakers and field tours.

Evaluation rubric for the Final Research Project: Total value 40%

Indicator	Excellent 80% or higher	Good 70% up to 79%	Insufficient (69% or less)	Observations
It establishes a research problem and a research question, hypothesis or objectives, of high impact and relevance in the discipline.				
The justification for the study is clear.				
Shows mastery of the context in which the question is posed and explains it clearly.				
Describes the structure of the document clearly and logically				
Answers the question or hypothesis raised. It assumes a position with respect to the findings.				
The analysis is broad and deep, reflecting a diversity in nuances.				
The quality and quantity of information provides evidence to support the arguments.				
Expresses articulately the knowledge obtained during the investigation.				
It describes the purpose and justification of the project clearly and convincingly.				
It offers convincing elements about the validity of methodological decisions.				
Describe the results for the problem or issue that the author is proposing.				
Validates the importance of its recommendations and mentions at least one significant implication.				
The project is complete. It does not have grammatical errors Demonstrates excellent ability to express him/herself clearly.				

Rubric for the evaluation of the Presentation Week 15:

Indicator	Excellent 80% higher	or Good 70% up to 79%	Insufficient (69% or less)	Observations
Demonstrates mastery of the core aspects of his study and its outstanding details				
Is able to explain the relevance of his research question, for his disciplinary field and the country.				
Correctly justifies the research methods used in the study.				
Presents the results clearly and appropriately, evidencing management of the statistical processing of the information collected.				
Conclusions answer the research question and are based on the data collected				
Explains how the literature review contributed to the study design, data analysis, conclusions and recommendations.				
Identifies the limitations of the study.				
Identifies the lines for future research in the field and recommendations				
Explains how the research exercise contributed to her professional development.				
Maintains visual contact with the audience, his body language is assertive and the voice volume allows a clear understanding of the message.				
Presents her work fluently, using professional vocabulary, without repetitions or pet phrases or other language accidents.				
Presentation is coherent, has a logical order of ideas, as well as introduction, development and conclusion.				
Personal presentation is appropriate for the occasion. Has good posture, looks relaxed and confident.				

Duration of the presentation meets the established time of a maximum of 45 minutes.				
Tone of voice is natural, conversational, and conveys enthusiasm for the work presented.				

Bibliography

Mandatory:

BERK AND DEMARZO. STANFORD UNIVERSITY. THIRD EDITION. CORPORATE FINANCE. NEW YORK. USA.

Optional reading:

Lawrence W. Tuller. First Edition. Finance for Non-Financial Managers: And Small Business Owners. Massachusetts.

Gene Siciliano. Second Edition. Finance for NonFinancial Managers. New York.

Edward Fields. Third Edition. Finance and Accounting. The United States of America.

Videos and articles provided by the professor.

Literature provided by the professor.

Schedule

Week	Sub competence	Content	Teaching Strategies
1.	Introduction to the course. Financial Statements Structure. Financial Statement's' interpretation. Introduction to the value of money in the time line.	Topic 1: Introduction to the course. Introduction to Financial Statement Analysis.	Topic Presentation. Text book readings. Class discussion.
2		Topic 2: Financial Statement Analysis. Part I	Topic Presentation. Text book readings. Class discussion.
3		Topic3: Financial Statement Analysis. Part II	Topic Presentation. Text book readings. Class discussion.
4		Topic 4: Time, Money and Interest rates. Part I	Topic Presentation. Text book readings. Class discussion.

5	Determinants of value of money in the time line. The purchasing power concept.	Topic 5: Time, Money and Interest rates. Part II	Topic Presentation. Text book readings. Class discussion.	
6		Topic 6: Time, Money and Interest rates	Topic Presentation. Text book readings. Class discussion.	
7		Topic 7: Investor's behavior and capital market efficiency.		
8		Characteristic of short and long term financing.	Topic 8: Short Term Financing. Part I.	Topic Presentation. Text book readings. Class discussion.
9			Topic 9: Short Term Financing. Part II.	Topic Presentation. Text book readings. Class discussion.
10	Topic 10: Long Term Financing. Part I.		Topic Presentation. Text book readings. Class discussion.	
11	Country risk and exchange rate risk analysis.	Topic 11: Long Term Financing. Part II.	Topic Presentation. Text book readings. Class discussion.	
12		Topic 12: Special topics: Country risk, exchange rate risk.	Topic Presentation. Text book readings. Class discussion.	
13		Topic 13: Course summary	Topic Presentation. Text book readings. Class discussion.	
14		Final Presentations.	Presentations.	
15		Final Presentations.	Presentations.	

General observations

The student must comply with the provisions of the Student Regime Regulations of Veritas University. For reference you must go to the Student Self-Management Portal at the following address: <http://autogestion.veritas.cr/> and download it.