



Ewha International Summer College

Course Syllabus

Financial Management

Professor: Minwoo Lee
E-mail: minwoo.lee@wku.edu
Home Univ.: Western Kentucky University
Dept.: Gordon Ford College of Business

This course introduces the basic principles used in financial management and their applications in the long-term investment and financing. These principles are characterized in time value of money and relation between risk and return. Once the students acquire the basic knowledge on these principles, they will learn how to apply their knowledge to the valuation of stocks and bonds, financial planning, capital budgeting, long-term financing, capital structure, and dividend policy and risk management.

Description: Upon completing this course, the students will be able to make basic decisions regarding which project to take, and if so, when; how to finance a project; how much of payouts, in what form, to make; how much debt to carry; and how to hedge away potential risks associated with basic operations of a firm. This course also lays foundation for more advanced finance courses such as Investments (in securities) and Corporate Finance.

Field Trip / Invited Speaker

Depending on the schedule and students' interest, the instructor may be able to arrange a 2-3 hour field trip to a securities firm for the students to get the "feel" of the financial market/industry. Students have an opportunity of hearing from financial experts about how financial markets functions, how to invest and employment opportunities as well. Alternatively, we can arrange to invite a financial expert to speak in class.

Objectives:

- Develop critical thinking skills of financial concepts
- Familiarize with the types of the decisions that typically confront financial managers
- Understand the risk–return relationship and time value of money in corporate investing and financing decisions and in investments in securities.
- Ensure that students are competent in the utilizing knowledge of analytical techniques commonly employed in the financial decision-making process

Prerequisite:

- * No prerequisite required.
- * Textbook: Financial Management: Principles and Applications, by Titman, Keown and Martin,

Pearson, 2018 (more cost-efficient 2014 edition is acceptable)

* Lecture notes (chapter outlines), practice questions, solutions for problems, and other materials related to the course are provided by the instructor. Additional materials are to be provided as needed.

Credits	3	Contact Hours	45
Week 1	6/25(Thu)	I. Overview of Financial Management Ch. 1: Introduction to Financial Management	
Week 2	6/29(Mon)	II. Valuation of Future Cash Flows Ch. 5: Introduction to Time Value of Money	
	6/30(Tue)	Ch. 6: Present and Future Value of Money - Multi-Periods	
	7/1(Wed)	Ch. 9: Application: Interest Rates and Bond Valuation	
	7/2(Thu)	Ch. 10: Application: Stock Valuation	
Week 3	7/6(Mon)	III. Capital Budgeting Ch. 11: Capital Budgeting: Decision Criteria	
	7/7(Tue)	Ch. 12: Analyzing Project Cash Flows	
	7/8(Wed)	Mid-Term Exam Financial Investment Game	
	7/9(Thu)	IV. Risk and Return in Capital Market Ch. 7: Introduction to Risk and Return – History of Market	
Week 4	7/13(Mon)	Ch. 8: Risk and Return - Capital Market Theory	
	7/14(Tue)	V. Cost of Capital and Financial Policy Ch. 14: Cost of Capital	
	7/15(Wed)	Ch. 15: Capital Structure Policy	
	7/16(Thu)	VI. Financial Statements Ch. 3: Understating Financial Statements Ch. 4: Financial Analysis – Sizing Up Firm Performance	
Week 5	7/20(Mon)	Special Session, Stock Market Game, and Comprehensive Review	
	7/21(Tue)	Final Exam	

Evaluation(%)	Midterm 30	Final 40	Attendance 10	Assignments 10	Participation (Discussions, Games) 10	Etc.
---------------	---------------	-------------	------------------	-------------------	--	------