

Identification	Subject (Code, title, credits)	FIN 310 Fundamentals of Financial Management 3KU/6ECTS
	Department	Economics and Management
	Program type	Undergraduate
	Term	Fall 2024
	Instructor	Orkhan Hajizada
	E-mail:	orkhan.hajizada@khazar.org
	Classroom	
	Office hours	By appointment
Prerequisites	ACC 310 Financial Accounting	
Language	English	
Compulsory/Elective	Compulsory	
Required textbooks and course materials	<p>Main Textbook: Stanley B. Block, Geoffrey A. Hirt, Bartley R. Danielsen, “Foundations of Financial Management”, 18th Edition, McGraw-Hill Education, 2022</p> <p>Additional book: Richard A. Brealey, Stewart C. Myers, Franklin Allen, “Principles of Corporate Finance”, 14th Edition, McGraw-Hill Education, 2023</p>	
Course outline	<p>This course mainly targets various types of valuation procedures and tools used in the evaluation and decision-making process in the business environment and financial management of corporations. Furthermore, both theoretical and practical concepts regarding financial management will be covered throughout the course, while providing basic financial theory and practice. What’s more, common problems encountered by business decision-makers and the fundamental analytical skills to deal with various financial issues will be highlighted. Topical coverage will include fundamental concepts of financial management and corporate finance such as time value of money, cost of capital, financial evaluation methodologies, and other relevant theories.</p>	
Course objectives	<p>During the course, students will receive a comprehensive introduction to financial management, covering key topics like financial statement analysis, the time value of money, and decision-making with a focus on risk assessment and cost of capital. Net Present Value (NPV) and Internal Rate of Return (IRR) are introduced for project analysis. Working capital management and valuing stocks and bonds will also be explored. By course completion, students will have a robust foundation in financial management, enabling them to rigorously analyze investment and financing projects and make sound judgments in personal and professional financial decision-making.</p>	
Learning outcomes	<p>Main learning outcomes of the course include:</p> <ul style="list-style-type: none"> • Analyzing financial statements - Evaluating and interpreting financial statements to assess a company's financial health and performance. • Applying time value of money concepts - Utilizing time value of money principles to make informed investment decisions, considering the impact of time on the value of money. • Utilize bond valuation techniques to assess the attractiveness of fixed-income securities within an investment portfolio. • Understand the relationship between bond valuation and interest rates. • Analyze and manage financial risk to optimize investment strategies. 	

	<ul style="list-style-type: none"> • Understand the relationship between risk and return in financial decision-making. • Apply various methods to value common stocks and make informed decisions in the stock market. • Understand the cost of capital and its significance in determining optimal funding strategies. • Implement effective working capital management strategies for smooth day-to-day operations within a company. • Proficiently calculate and interpret Net Present Value (NPV) and Internal Rate of Return (IRR) for various projects and investments. • Equip students with a comprehensive foundation for making sound financial decisions in both corporate and personal contexts. 		
Teaching methods	Lecture		✓
	Group discussion		✓
	Practices		✓
	Case analysis		✓
Evaluation	Methods	Date/deadlines	Percentage (%)
	Midterm Exam	To be announced	30
	Attendance		5
	Activity		5
	Quiz 1	Week 6	5
	Quiz 2	Week 12	5
	Group Practice	Week 13	15
	Final Exam	To be announced	35
	Total		100
Policy	<p>Attendance Students exceeding the 25% absence limit without valid excuses will not be allowed to take the final exam.</p> <p>Activity/Participation Activity is defined as engaging actively, which includes posing questions, providing answers, contributing insights and feedback, and displaying both willingness and dedication to participating in the broader class discussion</p> <p>Group Practices In small groups, students will assess investment projects for a company using various valuation methods. Evaluation will consider collaborative skills and logical problem-solving approaches in applying these methods.</p> <p>Quizzes There will be 2 quizzes throughout the course. The quizzes might be made of multiple-choice questions, true/false questions, and short open questions. The questions will cover the subjects learned until each preceding class.</p>		
Week	Date/Day (tentative)	Topics	Textbook/Assignments
1		Introduction to Financial Management	Ch. 1 (Block et al.)
2		Financial Statement Analysis	Ch. 2,3 (Block et al.)
3		Time Value of Money	Ch. 2 (Myers et al.)
4		Bond Valuation and Interest Rates - 1	Ch. 3 (Myers et al.)
5		Bond Valuation and Interest Rates - 2	Ch. 3 (Myers et al.)

6		Stock Valuation Quiz 1	Ch. 7 (Myers et al.)
7		Cost of Capital	Ch. 11 (Block et al.)
8		Case Studies	
9		Midterm Exam	
10		Working Capital Management and the Financing Decision	Ch. 6 (Block et al.)
11		Current Asset Management	Ch. 7 (Block et al.)
12		Short-Term Financing Quiz 2	Ch. 8 (Block et al.)
13		Group Project	
14		Long-term Financing	Ch. 16,17 (Block et al.)
15		Revision Lecture	
16		Final Exam	