



HANYANG UNIVERSITY

INTERNATIONAL SUMMER SCHOOL

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| Name | Minwoo Lee |
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| Home University | Western Kentucky University |
| Department | Gordon Ford College of Business |

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| Course Title | Financial Management |
| Field of Study | Economics and Business |
| Credits | 3 |
| Contact Hours | 45 |
| Course Code/Number | BUS 3002 |
| Course Description | <p>This is an <u>introductory</u> course that presents 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.</p> <p>* Upon completing this course the students ought to 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 investment and corporate finance topics to be taught in the higher-level finance courses.</p> <p>Field Trip / Invited Speaker</p> <p>Depending on the schedule and students' interest, the instructor may be able to arrange a 2-3 hour field trip 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.</p> |



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| Course Objective | <ul style="list-style-type: none"> • 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 financial investments • Ensure that students are competent in the utilizing knowledge of analytical techniques commonly employed in the financial decision-making process |
| Preparations (Pre-Knowledge) | * No prerequisite required. |
| Materials (Textbook/Websites) | <p>* Required: <u>Lecture notes (chapter outlines), practice questions, solutions for homework, and other materials</u> related to the course are <u>provided by the instructor</u>.</p> <p>* Recommended Textbook: <u>Essentials of Corporate Finance</u>, 9th ed. by Jordan, Westerfield and Ross, 2017, McGraw-Hill Irwin (<u>this edition is readily available internationally, very affordable and virtually the same as the most current one</u>).</p> |

| Lesson Plan: | | |
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| Week 1 | 1st Day | Orientation & Opening Ceremony |
| | Class 1 | I. Overview of Corporate Finance Ch. 1: Introduction to Financial Management |
| | Class 2 | II. Valuation of Future Cash Flows Ch. 4: Introduction to Valuation: Time Value of Money |
| | Class 3 | Ch. 5: Discounted Cash Flows |
| Week 2 | Class 4 | Ch. 6: Application: Interest Rates and Bond Valuation |
| | Class 5 | Ch. 7: Application: Stock Valuation |
| | Class 6 | III. Capital Budgeting Ch. 8: Capital Budgeting: Decision Criteria |
| | Class 7 | Mid-Term Exam |
| Week 3 | Class 8 | IV. Risk and Return in Capital Market Ch. 10: Some Lessons from Capital Market History |
| | Class 9 | Ch. 11: Return, Risk, and the Security Market Line |
| | Class 10 | V. Cost of Capital and Financial Policy Ch. 12: Raising Capital and Cost of Capital |



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| | Class 11 | IV. Risk and Return in Capital Market Ch. 10: Some Lessons from Capital Market History |
| Week 4 | Class 12 | Ch. 13: Capital Structure and Financial Leverage |
| | Class 13 | VI. Financial Statements Ch. 2: Financial Statements and Cash Flows Ch. 3: Financial Statement Analysis |
| | Class 14 | Special Session, Game, and Comprehensive Review |
| | Class 15 | Final Exam |

| Evaluation (%) | | | | | | | | |
|----------------|------------|-------|---------------|----------|---------------|--------------|------|--------------|
| Assignments | Attendance | Final | Group Project | Mid-term | Participation | Presentation | Quiz | Total |
| 15% | 10% | 40% | Extra Credit | 35% | Extra Credit | | | 100 % |