

# BFIN 2201 BUSINESS FINANCE

SETON HALL UNIVERSITY

STILLMAN SCHOOL OF BUSINESS

DEPARTMENT OF FINANCE

## Summer 2023 - Asynchronous

Instructor	Christakis (Chris) Droussiotis, ACUE
Virtual Office Link	<a href="https://calendly.com/professordrou/30min">https://calendly.com/professordrou/30min</a>
Cell Phone (Voice/Text)	(908) 930-4725
TEAMS Video/Text	<a href="#">TEAMS Link</a>
Email Link	<a href="mailto:Chtistakis.droussiotis@shu.edu">Chtistakis.droussiotis@shu.edu</a>
Website Link	<a href="http://www.ProfessorDrou.com">www.ProfessorDrou.com</a>
Active Learning /Textbook Link	<a href="https://store.cognella.com/96705">https://store.cognella.com/96705</a>

### Class Format:

This 5-week course is taught entirely via the Active Learning Canvas Platform. Every Monday starting on July 3, 2023, you will have access to the week's video lectures, PowerPoint presentation and spreadsheet templates. At the end of that week (Sunday at 12:59pm) you will be required to submit the few homework assignments that are due based on the lecture taught that week. There will be two exams taken online via Active Learning scheduled. The first exam (Midterm) is scheduled on Monday, July 17 from 6:30-8:30pm. The Final Exam is scheduled for Wednesday, August 3 from 6:30-8:30pm. To activate Active Learning, you need to go to <https://store.cognella.com/96705> and set it up prior to July 3.

**On Monday July 3, 2023**, there will be a live class at 6:30pm to meet the professor and go over the syllabus, the class format and requirement. You can access this live class via [TEAMS Link](#). This introductory class will be recorded if you are not able to join.

### Course Objective:

The objective of the course is to deepen students' comprehension of and appreciation for the financial tools necessary to make sound financial decisions, especially time value of money and basic portfolio management. Understanding the critical underlying factors which affect a decision is necessary to adapting decisions to a changing environment. While the focus of the course will primarily be corporate decision making, the concepts and techniques covered can be applied to all financial decisions. For each of the following, the underlying intuition and fundamental analysis are the same: capital budgeting, capital structure alteration, working capital management, stock valuations, and IPO valuations, corporate treasury decisions, advising on mergers and acquisitions and making personal investment decision.

**Required Text:**

***“An Analytical Approach to Investments, Finance and Credit”***, C. Droussiotis, First Edition. Cognella Publishing. ISBN: 978-1-1935551-66-9 - Link to purchase including Active Learning: <https://store.cognella.com/96705>

**Course Requirements (Assignments)**

**Graded Homework Assignments (30%):**

Graded Homework Problems give you an opportunity to demonstrate your mastery of the topics covered in the course and solidify your knowledge of finance theory through the practical application of the concepts, models, and theories, discussed in the video lectures. Students are required to submit a set of Graded Homework Problems via Cornell’s ACTIVE LEARNING platform on specific deadlines. Late homework will not be acceptable so make sure you complete these before the deadlines.

**Midterm Exam (35%)** – online via Active Learning on a specific day and time (July 17 6:30-8:30pm)

There will be a Midterm Exam that will be based on the textbook and the spreadsheets. Midterm Exam will be based chapters 1-4 (Time Value of Money, Risk, Return and Modern Portfolio Theory concepts) and Chapters 10 and 11 (Secondary market – stock and bonds).

**Final Exam (35%)**– online via Active Learning on a specific day and time (August 3 6:30-8:30pm)

exam though will focus on textbook chapters 15-17 and partial chapter 9. The students need to study spreadsheets analysis covered in class including the Alexandria Hotel projections and DCF analysis, Hyatt stock valuation, LBO and Capital Markets financial model, and return and bond analytics spreadsheet. The exam will be taken during the Exam Period. It will be opened books taken on-line. The students need to study the various spreadsheet analysis covered in class including the Celerity Technology Company case study; the Alexandria Hotel WACC analysis and Hyatt Corporation enterprise valuation methods.

**\*CD Factor:**

This is to give the benefit for students of significant improvement between Mid-Term Exam and Final. The Weighted averages are as follows:

<b>Improvement</b>	<b>Mid-Term Weighting</b>	<b>Final Exam Weighting</b>
35% and higher	15%	55%
30-34%	20%	50%
25%-29%	25%	45%
20%-24%	30%	40%
19% or lower (including negative)	35%	35%

## Course Outline

Week of	Subject	Homework Due (via Active Learning)
July 3	<ul style="list-style-type: none"> <li>• Introduction (Live via TEAMS on Monday, July 3 6:30pm)</li> <li>• Time Value of Money</li> <li>• Risk &amp; Return</li> </ul>	Due Sunday, July 9 Ch 1a, 1b, Ch 2
July 10	<ul style="list-style-type: none"> <li>• Stock Market (secondary Trading)</li> <li>• Bond Market (secondary Trading)</li> <li>• Midterm Exam Review</li> </ul>	Due Sunday July 16 Ch 10, Ch 11
July 17	<ul style="list-style-type: none"> <li>• MIDTERM EXAM (via Active Learning on Monday 6:30pm-8:30pm)</li> <li>• Stock Market (Primary, IPO)</li> <li>• Stock Valuation</li> </ul>	Due Sunday July 23 Ch 5, Ch 6, Ch 17
July 24	<ul style="list-style-type: none"> <li>• Financial Statement and Ratio Analysis</li> <li>• Budget and Projections</li> </ul>	Due Sunday July 30 Ch 15, Ch 16
July 31	<ul style="list-style-type: none"> <li>• Final Exam Review</li> <li>• FINAL EXAM (Via Active Learning on Thursday, Aug 3, 6:30pm-8:30pm)</li> </ul>	

### Stillman Student Professional Competencies to be Developed

**Critical Thinking** – Homework assignments, quizzes, and exams require the application of financial concepts and principles to a variety of different business decisions. Critical thinking is required to understand what information is relevant to the question, which theory to apply, and how to evaluate the numerical solution to generate a qualitative decision.

**Change Management** – This course deepens students' comprehension of and appreciation for the financial tools necessary to make sound financial decisions. Understanding the critical factors which underlie a business decision are based are necessary for adapting decisions to a changing environment.

**Technology** – Students learn practical applications of financial concepts and theories. In the process, the students learn how to use technological tools to aid in their understanding and to solve

complex calculations including the use of the trading room financial databases, financial calculators and Excel.

**Communications** – Students learn the finance jargon necessary to understand and communicate effectively when making financial decisions.

Ethics and Social Responsibility – Students learn to recognize and understand the accepted of right and wrong governing the conduct of businesspeople specifically related to financial analysts.

University Core Proficiencies to be Developed

Critical Thinking – Homework assignments, quizzes, and exams require the application of financial concepts and principles to a variety of different business decisions. Critical thinking is required understand what information is relevant to the question, which theory to apply, and how to evaluate the numerical solution to generate a qualitative decision.

Numeracy – This course develops essential quantitative and analytical skills. Homework assignments, quizzes, and exams require complex numerical calculations. Students then use the quantitative solutions to make financial decisions.

### **Grading Scale**

92.0-100.0 = A

90.0-91.9 = A-

87.0-89.9 = B+

83.0-86.9 = B

80.0-82.9 = B-

77.0-79.9 = C+

73.0-76.9 = C

70.0-72.9 = C-

66.0-69.9 = D+

63.0-65.9 = D

62.9 and under = F

### **Additional Course Details/Information**

#### **Student Feedback**

I try very hard to make each class as interesting and effective as it can be. I will have the formal university course evaluation at the end of the course. I encourage you, however, to give me constructive feedback on the course as it is ongoing at any time via email. If there is a particular subject within a topic you would like covered, please email me in advance, and I will try to accommodate it if I can. Furthermore, if there is something, I do that is either particularly effective or detrimental for your learning, please let me know so I can address it.

#### **Academic Honesty**

Honesty and integrity are fundamental expectations in this class. Any type of academic dishonesty will not be tolerated. The following is the Stillman School's policy on Academic Dishonesty, as collectively agreed to by the faculty:

---

***Stillman Business School's Policy on Academic Dishonesty***

*If a faculty member determines that an incident of academic dishonesty has occurred, and that incident is serious enough to warrant a failing grade, the student should be awarded an "F" grade. When an "F" grade is awarded as a result of academic dishonesty, the faculty member should notify the Dean's Office so that a note documenting the occurrence can be placed in the student's file.*

---

*Repeat incidents of academic dishonesty by a Stillman School student will result in expulsion from the Stillman School. Repeat incidents of academic dishonesty by a non-Stillman student will result in that student being prohibited from taking classes in the Stillman School. The Dean's Office will undertake the responsibility of enforcing the regulations regarding repeat incidents.*

---

*Acts of academic dishonesty include, but are not limited to, the following:*

- 1. copying, sharing or obtaining information from any unauthorized source during projects, examinations, or exams;*
  - 2. copying from or unauthorized sharing of homework assignments with another student;*
  - 3. failing to properly cite sources (including ideas and phrases taken from articles, books, the Internet, etc.);*
  - 4. attempting to take credit for the intellectual creation of another person as one's own work;*
  - 5. falsifying information;*
  - 6. giving or receiving information about or during a test, exam or assignment solutions to other students.*
-