

# Unit Outline (Higher Education)

<b>Institute / School:</b>	Institute of Innovation, Science & Sustainability
<b>Unit Title:</b>	Financial Management
<b>Unit ID:</b>	BUACC5936
<b>Credit Points:</b>	15.00
<b>Prerequisite(s):</b>	(MPA student pre-requisites: BUACC5930 and BUACC5931. MBA student pre-requisites: BUACC5901)
<b>Co-requisite(s):</b>	Nil
<b>Exclusion(s):</b>	Nil
<b>ASCED:</b>	080301

## Description of the Unit:

This integrative course forms part of the capstone experience in the MPA and as such enables students to identify, examine, and analyse the financial decisions made by financial managers; gain an understanding of the theory of finance and the theoretical models applied in finance; and, develop skill in using techniques which assist in decision making in the financial industry. In fostering these outcomes, the course draws together concepts sourced from finance, economics, management accounting and statistical methods to provide a suite of competencies that will aid students in their transition to a diverse range of professional employment settings. As an industry related and skills-based course, the focus is on helping students develop an understanding of the fiscal and institutional environment in which financial decisions occur. Students will examine and be aware of changes that occur frequently in the marketplace and develop essential quantitative skills that are needed to achieve competitive advantages in the financial decision making process. Students will also learn the processes and applications of making capital budgeting decisions, financing investments and managing funding for day-to-day operations.

**Grade Scheme:** Graded (HD, D, C, P, MF, F, XF)

## Work Experience:

No work experience

**Placement Component:** No

**Supplementary Assessment:** Yes

Where supplementary assessment is available a student must have failed overall in the Unit but gained a final mark of 45 per cent or above, has completed all major assessment tasks (including all sub-components where a task has multiple parts) as specified in the Unit Description and is not eligible for any other form of supplementary assessment.

**Course Level:**

Level of Unit in Course	AQF Level of Course					
	5	6	7	8	9	10
Introductory	■	■	■	■	■	■
Intermediate	■	■	■	■	■	■
Advanced	■	■	■	■	✓	■

**Learning Outcomes:**
**Knowledge:**

- K1.** Identify, examine and evaluate aspects of financial policy and performance within the context of particular economic settings
- K2.** Evaluate and analyse the features of specific forms of domestic and international finance in dynamic circumstances
- K3.** Recognise the principles of risk minimisation strategies and how appropriate quantitative analyses can be used to construct appropriate financial tools to maximise returns
- K4.** Examine recent developments and changes in the field of financial management

**Skills:**

- S1.** Develop the ability to evaluate alternative growth scenarios and related financing needs
- S2.** Recognise the appropriate mix of financing for various stages of development
- S3.** Able to select appropriate risk minimisation strategies which are consistent with management policies and preferences
- S4.** Work collegially in a team environment in resolving complex business problems

**Application of knowledge and skills:**

- A1.** Apply financial management knowledge and skills in diverse and dynamic financial market settings
- A2.** Be able to make decisions independently in a changing and challenging environment
- A3.** Communicate financial management effectively through the preparation of business essays

**Unit Content:**

- Financial statement analysis and financial forecasting: using the relationships detailed in the financial statements to assess future financial needs.
- Working capital management: understanding the need for working capital and the issues involved in determining the appropriate investment in cash, receivables and inventory.
- Sources and types of finance: examine the mechanics of both the direct and indirect financing of business. Explain characteristics of alternative sources of capital.
- Security valuation: the valuation of marketable instruments and the effect that changes in market conditions and firm characteristics have on the valuation of securities.
- Issues in project evaluation: methods of incorporating differing project life and business risk into the financial analysis. Examine the impact of the degree of operating leverage.
- Cost of capital: calculating the costs of various forms of corporate finance.

- Risk analysis: an introduction to risk management in the context of portfolio construction and the benefits of diversification; distinguish between diversifiable and non-diversifiable risk. Modern financial instruments such as futures contracts and options will be examined in the context of risk management strategy
- Capital structure decisions and dividend policy: The financial effects of various capital structures (financial leverage) and dividend policies; factors determining the optimal capital structure and dividend policy.

### Learning Task and Assessment:

Learning Outcomes Assessed	Assessment Tasks	Assessment Type	Weighting
K1, K2, K3, S1, S2, A1, A2	Review of selected topics, readings and preparation of responses to set questions.	Test	10-20%
K1, K2, K3, K4, S1, S2, S3, S4, A1, A3	A group essay or assignment requiring a high level of research and the use of suitable quantitative analyses.	Oral Presentation and / or Written Research Assignment	20-40%
K1, K2, K3, K4, S1, S2, S3, A1, A2	Comprehensive review of all topics, based on class activities, reading and preparation of responses to weekly questions	Exam	50-70%

### Adopted Reference Style:

APA ()

Refer to the [library website](#) for more information

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