

Global Learning Semesters

Course Syllabus

Course: ACER-375 Strategic Financial Management

Department: Accounting and Banking

Host Institution: Intercollege, Nicosia, Cyprus



Course Summary		
Course Code	Course Title	Recommended Credit Hours
ACER-375	Strategic Financial Management	3
Semester Offered	Contact Hours	Prerequisites
Fall, Spring	42	ACER-245
Department	Level of Course	Language of Instruction
Accounting and Banking	Upper Division	English

Course Description

Aims and objectives of an organisation and their impact on business planning, key stakeholders, environmental issues, goal governance, key aspects of governance, implications of corporate governance.

Strategic planning process and link with investment decisions, strategic planning for multinationals.

Cost of capital, cost of equity (CAPM and DVM), cost of debt, WAC, impact of varying capital structures, interest rate and foreign exchange risk, hedging.

Decision making techniques, in particular detailed knowledge of discounted cash flow (NPV), adjusted NPV, expansion strategies-acquisition, merger and takeover, valuations, defence strategies.

Methods of financing short and long term investment, role of cash flow forecasting in business planning, role of the treasury function, dividend policy.

International factors affecting business developments, global competition, role of multi-national companies, free trade, protectionism, trade agreements, common markets, exchange rate determination, introduction of a single currency, role of World Bank and International Monetary Fund (IMF), economic relations between developed and developing countries.

Appraisal of overseas investment decisions including the impact of overseas taxation, overseas cost of capital, forecasting future exchange rates, political risk, raising capital overseas, managing financial resources within a multinational group.

Ethics and business conduct.

Instructor

Christos Vlachos

Course Aims and Objectives

On completion of the course students should:

Prepare reports for management explaining and evaluating the financial consequences of strategic decisions.

Identify and evaluate appropriate sources of finance, their risks and costs and assess potential investment decisions and strategies.

Understand the impact of the global business environment on national and multi-national organisations.

Explain, demonstrate and recommend suitable risk management and the treasury function in the commercial environment.

Teaching Methods

The course is delivered through a mixture of lectures, computer lab tutorials and practical exercises and assignments.

Course Teaching Hours

42 hours (14-weeks, 3 hours/week).

Evaluation and Grading

Attendance and Participation:	10%
Homework:	20%
Mid-Term:	30%
Final Exam:	40%

Readings and Resources

Required Textbook

ACCA – Paper 3.7 Strategic Financial Management

Recommended Reading

- R.H Pike, C.W. Neal, Corporate Finance and Investment, Prentice Hall
- J.M Samuels, F.M Wilkes, R.E. Brayshaw, Management of Company Finance, Chapman and Hall
- I. Demirag, S. Goddard Financial Management for International Business, McGraw Hill
- D. Chew, (editor) The new Corporate Finance- Where Theory Meets Practice, McGraw Hill