

**COURSE OUTLINES: BU5201 Business Finance**

<b>Academic Year</b>	2022-2023	<b>Semester</b>	2
<b>Course Coordinator</b>	Loh Yu Sheng		
<b>Course Code</b>	BU5201		
<b>Course Title</b>	Business Finance		
<b>Pre-requisites</b>	-		
<b>No of AUs</b>	3		
<b>Contact Hours</b>	39		
<b>Proposal Date</b>	16 Jun 2022		
<b>A) Course Aims/Description</b>			
<p>This course provides non-business and non-accounting students with an overview of the basic theories and practice of Business Finance/Financial Management. Whatever the size of the company and its industry, or the role of the job, understanding of corporate finance is crucial to the success of the individual and the financial viability of the corporation.</p> <p>This is a basic course in finance with emphasis on the major financial decisions made by companies and the valuation of investments made by them. Topics include fundamental concepts of risk and return, time value of money, interest rates, bond and stock valuation, corporate financing choices including techniques for investment analysis (capital budgeting), financing policy (capital structure), and dividend policy.</p>			
<b>B) Intended Learning Outcomes (ILO)/Objectives</b>			
<p>By the end of this course, you should be able to:</p> <ol style="list-style-type: none"> <li>1. Explain the fundamental concepts in Finance such as organisation's financial goal, time value of money, risk and return, financial markets and institutions, cost of capital, capital budgeting, lease and buy decision, etc.</li> <li>2. Describe alternative sources of finance and investment opportunities.</li> <li>3. Calculate the value of financial assets such as stocks and bonds.</li> <li>4. Work effectively with others in a group setting.</li> <li>5. Create process to solve problems with critical and creative thinking.</li> <li>6. Access corporate using a variety of financial information and data sources.</li> <li>7. Apply concepts learnt in class into real-world finance issues and problems.</li> <li>8. Develop ethical courses of action that consider the well-being of others and society.</li> </ol>			
<b>C) Course Content</b>			
<ol style="list-style-type: none"> <li>1. An Overview of Financial Management</li> <li>2. Time Value of Money</li> <li>3. Financial Markets and Institutions, Financial Statements, and Interest Rates</li> <li>4. Bonds and Their Valuation</li> <li>5. Risk and Rates of Return</li> <li>6. Stocks and their Valuation, Stock Market Efficiency</li> <li>7. The Cost of Capital</li> <li>8. The Basics of Capital Budgeting</li> </ol>			

9. Cash Flow Estimation and Risk Analysis, Lease or Buy Decision  
 10. The Optimal Capital Budget  
 11. Capital Structure and Leverage  
 12. Distributions to Shareholders

**D) Assessment (includes both continuous and summative assessment)**

Component	ILO Tested	NBS Learning Goal (Refer to Appendix 1 for list)	Weightage	Team/Individual	Assessment Rubrics (attach rubrics in appendix)
1. Final Examination	ILO1, ILO2, ILO3, ILO5	Acquisition of knowledge	50%	Individual	N.A
2. Mid-term Quiz	ILO1, ILO3, ILO5	Acquisition of knowledge	20%	Individual	N.A
3. Seminar Presentation	ILO1, ILO4, ILO5, ILO6, ILO7, ILO8	Acquisition of knowledge, Teamwork and Interpersonal skills, Oral communication, Problem Solving & Decision Making	10%	Team	Seminar Presentation Rubric, Teamwork and Interpersonal Skills Rubric. Peer evaluation is compulsory. All members in the group are required to present.
			10%	Individual	
4. Participation	ILO1, ILO3, ILO5	Acquisition of knowledge, Problem Solving & Decision Making, Planning & Execution	10%	Individual	Class Participation Rubric
Total			100%		

<b>E) Formative feedback</b>	
<p>There are various feedbacks given to you throughout this course. For mid-term quiz, result is provided after the mid-term quiz. You are encouraged to measure your performance and take steps to improve by clarifying your doubts. Moreover, you classmates will give you the feedback on teamwork skills via peer evaluation.</p>	
<b>F) Learning and Teaching approach</b>	
<p>The course will have a main site where the weekly e-lectures, online assignments, lecture slides, and seminar questions will be posted. Course-wide announcements will also be made on the main site. The course will be delivered through weekly lectures and seminars. Each week, the lecture will introduce students to a major finance topic. The seminars are designed to help students get to grips with the lecture materials.</p>	
<b>Approach</b>	<b>How does this approach support you in achieving the learning outcomes?</b>
<i>Lectures</i>	The interactive lecture session where there is ample opportunities for open discussion on the conceptual questions raised in the class allows you to think critical and share their ideas and concept with the class. This also allows me to get the concepts clearly through the entire class by involving you and ensure that the targeted learning outcomes are being achieved
<i>Seminars and in-class activities</i>	The seminars will be held and these provide a chance for you to raise any doubts and queries you have with your seminar instructor. You also have opportunities to practice more exercises.
<i>Seminar presentation</i>	The seminar presentation requires you to identify, analyze and solve problems. During the presentation, your instructor will discuss your mistakes in the problem solving if there is any.
<b>G) Reading and References</b>	
<p>1. Basic Text Brigham, Eugene F., Joel F. Houston, Jun-ming Hsu, Yoon Kee Kong, and A.N. Bany Ariffin, Essentials of Financial Management, 4th edition, Cengage Learning Asia. ISBN-13: 9789814792080.</p> <p>2. Calculator Financial calculator is very helpful but is not compulsory for this course. Financial calculator would facilitate faster calculations in a number of computation questions in this course. The recommended financial calculator that will be used for this course is the Texas Instrument BA II Plus. Calculation of Yield to Maturity (YTM) and IRR would be quite impossible without the use of a Financial or Graphic Calculator. Seminars may include questions which involves calculation of</p>	

Yield to Maturity or IRR. For seminars, students who do not have a Financial or Graphic calculator can borrow one or use Excel to calculate these values. However, for Quiz and Exam, there will not be question which requires calculation of YTM or IRR (which requires a financial calculator), but there may be questions which involve using a given value of YTM or IRR.

#### **H) Course Policies and Student Responsibilities**

##### (1) General

You are expected to complete all assigned pre-class readings and activities, attend all seminar classes punctually and take all scheduled assignments and tests by due dates. You are expected to take responsibility to follow up with course notes, assignments, and course related announcements for seminar sessions they have missed. You are expected to participate in all seminar discussions and activities.

##### (2) Absenteeism from Mid-Term Quiz

If you are absent for the quiz without a valid reason, zero mark will be awarded for the quiz. Valid reasons include falling sick supported by a medical certificate and participation in NTU's approved activities supported by an excuse letter from the relevant bodies.

#### **I) Academic Integrity**

Good academic work depends on honesty and ethical behaviour. The quality of your work as a student relies on adhering to the principles of academic integrity and to the NTU Honour Code, a set of values shared by the whole university community. Truth, Trust and Justice are at the core of NTU's shared values.

As a student, it is important that you recognize your responsibilities in understanding and applying the principles of academic integrity in all the work you do at NTU. Not knowing what is involved in maintaining academic integrity does not excuse academic dishonesty. You need to actively equip yourself with strategies to avoid all forms of academic dishonesty, including plagiarism, academic fraud, collusion and cheating. If you are uncertain of the definitions of any of these terms, you should go to the [academic integrity website](#) for more information. Consult your instructor(s) if you need any clarification about the requirements of academic integrity in the course.

#### **J) Course Instructors**

<b>Instructor</b>	<b>Office Location</b>	<b>Phone</b>	<b>Email</b>	<b>Consultation Hours</b>
Loh Yu Sheng				<i>By prior appointment via email</i>

<b>K) Planned Weekly Schedule</b>			
<b>Week</b>	<b>Topic</b>	<b>ILO</b>	<b>Readings/ Activities</b>
1	An Overview of Financial Management	ILO1, ILO8	C1
2	Time Value of Money	ILO1, ILO5, ILO6, ILO7	C5
3	Financial Markets and Institutions  Financial Statements, Cash Flow, and Taxes Interest Rates	ILO1, ILO2, ILO6, ILO7	C2 C3  C7
4	Bonds and Their Valuation	ILO1, ILO3	C9
5	Risk and Rates of Return	ILO1, ILO5, ILO6, ILO7	C8
6	Stocks and their Valuation Stock Market Efficiency	ILO1, ILO3, ILO5, ILO6, ILO7	C10, Appendix 10A C2.7
7	The Cost of Capital	ILO1, ILO5, ILO6, ILO7	C11
Recess Week			
8	Capital Budgeting	ILO1, ILO8, ILO5, ILO6, ILO7	C12
9	Cash Flow Estimation and Risk Analysis  Lease or Buy Decision  The Optimal Capital Budget	ILO1, ILO5, ILO6, ILO7	C3.7; C13  C20.2  C14.6
10	Online Quiz during Seminar Hour		
11	Capital Structure & Leverage	ILO1, ILO5, ILO6, ILO7	C15
12	Distribution to Shareholders	ILO1, ILO5, ILO6, ILO7	C16
13	Course Wrap Up	ILO1, ILO5, ILO6, ILO7	

**Rubric 1: Teamwork & Interpersonal Skills (Peer Evaluation)**

Traits	Performance	
<p><b>1. Roles and Responsibility (RR)</b></p> <p>Behaves professionally by upholding responsibility and assuming accountability for self and others in progressing towards the team's goal.</p>	<p><b>Scant</b></p> <p>Unclear about his/her own role; refuses to take a role in the group; insists to work individually and has limited coordination or communication with others.</p>	<p><b>Substantially Developed</b></p> <p>Always fulfills responsibilities; performs his/her role within the group with enthusiasm and demonstrates willingness to work collaboratively.</p>
<p><b>Evaluation: Scant 1 2 3 4 5 6 7 Substantially Developed</b></p>		
<p><b>2. Communication (CM)</b></p> <p>Identifies appropriate mechanisms to coordinate and correspond with team members.</p>	<p><b>Scant</b></p> <p>Modes of communication are not appropriate, causing confusion and miscommunication among team members.</p>	<p><b>Substantially Developed</b></p> <p>Modes of communication are appropriate, and maintaining timely communication and correspondence with team members.</p>
<p><b>Evaluation: Scant 1 2 3 4 5 6 7 Substantially Developed</b></p>		
<p><b>3. Conflict Resolution (CR)</b></p> <p>Resolves conflicts using a variety of approaches.</p>	<p><b>Scant</b></p> <p>Does not recognize conflicts or is unwilling to resolve conflicts.</p>	<p><b>Substantially Developed</b></p> <p>Consistently resolves conflicts through facilitating open discussion and compromise.</p>
<p><b>Evaluation: Scant 1 2 3 4 5 6 7 Substantially Developed</b></p>		
<p><b>4. Contributions (CT)</b></p> <p>Contributes positive input for the team; effectively utilizes one's knowledge and expertise.</p>	<p><b>Scant</b></p> <p>Largely disinterested in working in a group and refuses to participate; observes passively or is unwilling to share information with other team members.</p>	<p><b>Substantially Developed</b></p> <p>Actively attends and participates in all activities and provides meaningful contribution in articulating ideas and opinions.</p>
<p><b>Evaluation: Scant 1 2 3 4 5 6 7 Substantially Developed</b></p>		
<p><b>5. Relationship (RS)</b></p> <p>Maintains cooperative interaction with other team members regardless of individual /cultural differences and respects diverse perspectives.</p>	<p><b>Scant</b></p> <p>Rarely listens to others and does not acknowledge the opinions that differ from his/her own.</p>	<p><b>Substantially Developed</b></p> <p>Engages in respectful relationships with all other members in the team. Embraces and accepts diverse points of view without prejudice.</p>
<p><b>Evaluation: Scant 1 2 3 4 5 6 7 Substantially Developed</b></p>		

## Rubric 2: Seminar Presentation

Traits	Performance		
<b>1. Problem Solving (PS)</b> Ability to analyze and solve problems.	<b>Scant</b> Not able to solve most of the problems.	<b>Partly Developed</b> Able to solve most of the problems.	<b>Substantially Developed</b> Able to solve all the problems and discuss further implications.
<b>Evaluation: Scant 1 2 3 4 5 6 7 Substantially Developed</b>			
<b>2. Presentation Delivery (PD)</b> Ability to deliver answers in a concise and clear manner.	<b>Scant</b> Answers are delivered in a confusing and unstructured format.	<b>Partly Developed</b> Mostly able to deliver answers in a concise and clear manner.	<b>Substantially Developed</b> Able to deliver answers in a concise and clear manner.
<b>Evaluation: Scant 1 2 3 4 5 6 7 Substantially Developed</b>			
<b>3. Slides (SL)</b> Presentation slides.	<b>Scant</b> Slides are boring.	<b>Partly Developed</b> Slides are standard.	<b>Substantially Developed</b> Slides are able to engage audience.
<b>Evaluation: Scant 1 2 3 4 5 6 7 Substantially Developed</b>			
<b>4. Presentation Response (PR)</b> Ability to respond to audience questions and comments.	<b>Scant</b> Unable to answer ¼ or more of questions with correct information.	<b>Partly Developed</b> Answers ¾ or more of questions, but does not expand on answers.	<b>Substantially Developed</b> Handles all questions with relevant and correct information.
<b>Evaluation: Scant 1 2 3 4 5 6 7 Substantially Developed</b>			
<b>5. Poise and Confidence (PC)</b> Non-verbal: Poise and Confidence.	<b>Scant</b> Uncertain and hesitant, does not maintain eye contact with audience.	<b>Partly Developed</b> Noticeable distracters but generally professional, establishes eye contact with audience most of the time.	<b>Substantially Developed</b> Stands poised and confident, establishes eye contact with audience.
<b>Evaluation: Scant 1 2 3 4 5 6 7 Substantially Developed</b>			

**Rubric 3: Class Participation**

Trait s	Performan ce		
<b><u>1. In-class Engagement</u></b> Ability to analyze and solve problems.	<b>Scant</b> Not able solve and present in-class exercise.	<b>Partly Developed</b> Able to solve and present most in-class exercise.	<b>Substantially Developed</b> Able to solve and present all in-class exercise.
<b>Evaluation: Scant <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> Substantially Developed</b>			
<b><u>2. Online Engagement</u></b>	<b>Scant</b> Not able to complete most of the online lectures on time (<3).	<b>Partly Developed</b> Able to complete most (8) online lectures on time.	<b>Substantially Developed</b> Able to complete all (11) online lectures on time.
<b>Evaluation: Scant <u>1</u> <u>2</u> <u>3</u> <u>4</u> <u>5</u> <u>6</u> <u>7</u> Substantially Developed</b>			



**List of NBS Learning Goals**

LEARNING GOAL	LEARNING OBJECTIVE	CHECK
<b>TASK SKILLS</b>		
<b>Acquisition of Knowledge</b>	The ability to value bonds and stocks, and explain the risk and return relation when investing in financial market. The ability to create, evaluate and apply three major financial decisions: investment decision, financing decision, and dividend decision.	
<b>Ethical Reasoning</b>	The ability to recognize and understand ethical issues, and apply sound ethical reasoning.	
<b>Critical Thinking &amp; Creative Thinking</b>	The ability to define, examine, evaluate, analyze and synthesize various arguments and knowledge to form independent judgment.	
	The ability to provide insight in an innovative way characterized by high degree of adaptiveness.	
<b>Problem Solving &amp; Decision Making</b>	The ability to identify problem, generate a plan to solve problem, implement and evaluate the plan and make sound business decision.	
<b>Planning &amp; Execution</b>	The ability to set clear priorities and plans of action for the task and define task objectives to fulfill goals within a planned schedule for execution.	
<b>PEOPLE SKILLS</b>		
<b>Oral Communication &amp; Written Communication</b>	The ability to communicate well with others verbally so that it clearly expresses the intended message and is understandable and useful to the receiving party.	
	The ability to communicate well with others in writing so that it clearly expresses the intended message and is understandable and useful to the receiving party.	
<b>Negotiation</b>	The ability to systematically plan and prepare for negotiation and apply negotiation skills in personal and professional practice.	
<b>Cultural Intelligence</b>	The ability to function effectively in situations characterized by cultural diversity.	
<b>Teamwork &amp; Interpersonal Skills</b>	The ability to work effectively with others in a group setting.	
<b>Motivation &amp; Development of Self &amp; Others</b>	The ability to develop a better understanding of one's strengths and weaknesses, and learn to view others and mistakes positively as sources of personal and professional development.	

Please write to NBS Accreditation office ([nbsaccro@ntu.edu.sg](mailto:nbsaccro@ntu.edu.sg)) for sample rubrics.

## Appendix 1: Taxonomy for Learning Outcomes/Objectives

Action Words for Bloom's Taxonomy					
Knowledge	Understand	Apply	Analyze	Evaluate	Create
define	explain	solve	analyze	reframe	design
identify	describe	apply	compare	criticize	compose
describe	interpret	illustrate	classify	evaluate	create
label	paraphrase	modify	contrast	order	plan
list	summarize	use	distinguish	appraise	combine
name	classify	calculate	infer	judge	formulate
state	compare	change	separate	support	invent
match	differentiate	choose	explain	compare	hypothesize
recognize	discuss	demonstrate	select	decide	substitute
select	distinguish	discover	categorize	discriminate	write
examine	extend	experiment	connect	recommend	compile
locate	predict	relate	differentiate	summarize	construct
memorize	associate	show	discriminate	assess	develop
quote	contrast	sketch	divide	choose	generalize
recall	convert	complete	order	convince	integrate
reproduce	demonstrate	construct	point out	defend	modify
tabulate	estimate	dramatize	prioritize	estimate	organize
tell	express	interpret	subdivide	find errors	prepare
copy	identify	manipulate	survey	grade	produce
discover	indicate	paint	advertise	measure	rearrange
duplicate	infer	prepare	appraise	predict	rewrite
enumerate	relate	produce	break down	rank	role-play
listen	restate	report	calculate	score	adapt
observe	select	teach	conclude	select	anticipate
omit	translate	act	correlate	test	arrange
read	ask	administer	criticize	argue	assemble
recite	cite	articulate	deduce	conclude	choose
record	discover	chart	devise	consider	collaborate
repeat	generalize	collect	diagram	critique	collect
retell	give examples	compute	dissect	debate	devise
visualize	group	determine	estimate	distinguish	express
	illustrate	develop	evaluate	editorialize	facilitate
	judge	employ	experiment	justify	imagine
	observe	establish	focus	persuade	infer
	order	examine	illustrate	rate	intervene
	report	explain	organize	weigh	justify
	represent	interview	outline		make
	research	judge	plan		manage
	review	list	question		negotiate
	rewrite	operate	test		originate
	show	practice			propose
	trace	predict			reorganize
	transform	record			report
		schedule			revise
		simulate			schematize
		transfer			simulate
		write			solve
					speculate
					structure
					support
					test
					validate