



WALSH UNIVERSITY
DIVISION OF BUSINESS, ECONOMICS
AND COMMUNICATION

BUS 405
Advanced Business Finance, I

(Full Semester Format)

ASSIGNMENT DUE ON THE FIRST NIGHT OF
CLASS-Page 6

PREREQUISITE: BUS 221, Business Finance

DIVISION OF BUSINESS/ECONOMICS AND COMMUNICATION
BUS 405
Advanced Business Finance

COURSE DESCRIPTION

Advanced study of the theory of finance and how the theory is applied in corporate decision-making. Topics included advanced time value of money concepts; the relationship between risk, return and value; financial statement analysis; financial forecasting, planning and control; working capital policy; cash and credit management; sources and uses of short-term funds. The course uses the case analysis approach. Pre-requisite: BUS 221, Business Finance

PREREQUISITES / SELF TEST ON READINESS

This course assumes that you have a strong degree of comfort with major accounting and finance **principles** and are comfortable with excel spreadsheets and their application in accounting and finance. There will be no accounting review. If it has been some time since the completion of your introductory accounting and finance courses, the following self-assessment is a means to test your readiness for this course.

1. Do you understand the differences between the major accounting statements (income statement, balance sheet and statement of cash flow)?
2. Can you explain the major sections within the balance sheet (current assets, long-term assets, current liabilities, long-term liabilities and stockholder's equity)?
3. Can you explain how net income is closed out to the balance sheet at the end of an accounting period?
4. Can you list the three major sections of a statement of cash flows and explain the types of business events that are reflected in each?
5. To calculate cash flows from operating activities one must add back to net income such non-cash items as depreciation. Why?
6. A key role of a financial manager is to plan for future cash needs. Pro forma statements are one means to help in this analysis. A fast growing company often finds that it must increase receivables, inventory and fixed assets to support its growth. What is the impact on cash needs?
7. Can you calculate present values, future value, rates of return?
8. Can you calculate Net Present Value, Internal Rate of Return, Payback Period.

If you are not comfortable answering these questions, you need to review your basic accounting and finance textbook and concepts.

COURSE OBJECTIVES

Upon completion of the course, the student should

- Understand and be able to anticipate the impact of external and internal influences on corporate financial performance and corporate value,
- Be able to compute simple corporate and individual income taxes,
- Be able to identify factors that influence interest rates and understand the impact of interest rates on corporate performance and value,
- Understand and interpret financial statements,
- Use the information in financial statements to assess corporate financial performance, forecast financial needs and monitor and control financial performance,
- Understand the role of the time value of money and be proficient in computing time values using a financial calculator,
- Be able to value financial assets (bonds, common and preferred stock) and determine rates of return,
- Understand, quantify and apply risk in financial decision making,
- Be familiar with working capital policy and models used to implement those policies,
- Understand and be able to apply cash management models,
- Be familiar with and evaluate alternative sources of short-term funds.
- Be familiar with financial modeling and the use of Excel to perform commonly applied financial analysis
- Be familiar with web-based corporate and industry financial information.

REQUIRED MATERIALS:

Text: Essentials of Managerial Finance, Scott Besley and Eugene Brigham, 13th Edition. Registration with Thomson One.

[Cases in Managerial Finance, Custompack, Dryden Press](#)

Calculator: Each student is required to have a Texas Instrument BA II PLUS calculator.

NOTES REGARDING ASSIGNMENTS AND WORKLOAD

Advanced Finance I and II are the capstone courses for the finance major. Due to the rigor of the content and the required work-load, these courses are offered in the traditional semester format – ~~fourteen~~^{fifteen}, three hour meetings. While in class, students are expected to actively participate in discussions and group activities. Outside of class, students are expected to do a **minimum** of 10 hours per week of study, homework assignments, case analysis and/or group projects.

The intent of the assigned text readings is to provide students with analytical and conceptual knowledge. The text readings build on and enhance the principles you learned in the first Business Finance Course. The assigned homework problems and cases reinforce this knowledge and are intended to develop computational and quantitative skills. ~~It is not necessary to~~

~~memorize the complex formulas presented in the text. Instead, students will learn to use the functions on the calculator and in excel to perform required lengthy and sometimes complex computations. Some simple formulas that are used repeatedly in the class and on the job will need to be committed to memory.~~

REQUIREMENTS and EVALUATION

Student performance is evaluated, and grades are assigned based on performance in four areas: homework, spreadsheet skill builders, case analyses, and an applied project.

HOMEWORK:

Homework problems are assigned for each chapter. Five homework sets worth ten points each will be collected and graded during the semester. The homework sets will be collected at the completion of the workshop in which they are assigned (the class period following the corresponding lecture). No homework set will be accepted late for any reason. For the student to receive credit for the assignment, the homework collected must be completed in good form.

Excel templates for end-of-chapter problems are available on the textbook website: <http://besley.swlearning.com> (Student Resources, excel models). Use the templates when completing an assigned computer application problem. Provide a **summary** of the results (output) and discuss the implications of the analysis.

SKILL BUILDERS

Three Excel Skill Builder exercises are described in a separate handout. These exercises are intended to enhance your spreadsheet and financial modeling skills by introducing you to excel spreadsheet functions and tools of particular importance for a person performing the finance function. Select and submit two of the exercises for grading. Each Skill Builder is worth 20 points equally distributed between the quality of the analysis and application of your skills. You will print a hard copy of the application for collection in class and post an electronic copy to the instructor. Your last name and SK # should appear in the message line.

CASE ANALYSES: A case in Cases in Managerial Finance is assigned for most of the chapters covered in the textbook. Students are expected to complete the case analysis for each assigned case. The analysis involves answering all end-of-case questions, completing any required calculations and performing any computer applications indicated by the case.

Five cases worth 25 points each will be collected and graded sometime during the semester. You may choose to prepare and submit a case with a partner and turn in one written preparation. A team case write-up must reflect an integrated, cohesive analysis. You and your partner will receive the same grade. Case grades will be assigned based on both the quality and written presentation of the analysis and the quality and presentation of the accompanying spreadsheet analysis. You will also be evaluated based on demonstrated preparedness during class discussion of the cases. No case will be accepted for a grade after the class period in which the case was discussed. Again, to receive credit the collected cases must be completed in good form.

A team of students will act as discussion leader for one case during the semester. A maximum of 10 will be assigned to the discussion presentation. Case discussions are evaluated based on preparedness, clarity of analysis and responses to class questions. The case you present will count as one of the five required cases.

Excel templates accompany many cases. The instructor will make these available to you.

PROJECT – Peer Group Analysis

For this project, you will select an enterprise (target company) and conduct a peer group analysis. The analysis will have two components: ratio peer group analysis focusing on the financial performance of the selected company relative to the group of competitor peers and a descriptive and qualitative analysis of non financial factors that impact performance in the industry. A complete description of the project, sample outline and evaluation form are included in the appendix. The project is worth 100 points and includes a presentation to the class.

EVALUATION AND GRADE ASSIGNMENT

Graded Item	Number	Points/Item	Total Points
Cases	5	25	125
Homework	5	10	50
Excel Skill builder	2	20	40
Project	1	100	100
Total Points			315

Percent	Grade
94-100	A
90-93	A-
87-90	B+
84-86	B
80-83	B-
77-79	C+
74-76	C
70-73	C-
67-69	D+
64-66	D
60-63	D-
Below 60	F

POLICIES

Academic Integrity

The SPS – School for Professional Studies subscribes to the academic honesty policy stated in the most recent version of the [Walsh University Undergraduate Catalog](#) and the [SPS Student Handbook](#). Plagiarism and other forms of cheating or dishonesty may result in a failing test or course grade or suspension. Misrepresenting someone else’s work as yours is considered a violation of those policies and will result in a grade of “F” on the assignment and possibly an “F” in the course. See the [Student Handbook](#) for complete information.

Attendance

Attendance is mandatory for all sessions of the course. See the [SPS Student Handbook](#) for more information.

Make-up Work

Acceptance of late assignments or make-up of missed assignments or quizzes is at the discretion of the facilitator who will announce the policy at the first workshop.

ASSIGNMENTS TO BE COMPLETED PRIOR TO WORKSHOP ONE

1. Review the accounting and finance prerequisites.
2. Carefully read the course description, course objectives and other background materials covered in this module.
3. Spend some time thinking about how the stated course objective relate to your professional and/ or personal experiences and goals. Also reflect on any additional course objective or outcomes that would enhance the value of this course for you.
4. Select a target company and peer group for the project.
5. Read and be prepared to discuss Chapters 1 and 2.
6. Complete ST-2, page 79.
7. Download Excel models from “Student Resource” link at textbook website:
<http://besley.swlearning.com>.
8. Visit the “ThomsonOne” via the link on the textbook website.

WORKSHOP ONE

OBJECTIVES

After completion of this workshop, the student will

- Be familiar with the career opportunities in the field of finance
- Understand the fit of the finance function within the organization
- Understand the goal of financial management, how it is measured and implemented
- Be able to explain the agency relationship and agency conflicts
- Be able to describe financial markets and how capital is transferred
- Understand and explain various interest rate theories, term structure and yields
- Create a yield curve
- Explain various risk premiums and how they are reflected in interest rates
- Be able to gather financial data for ~~application~~ various applications throughout the course

ACTIVITIES

1. Introduction of facilitator and students.
2. Explanation of course requirements, expectations, learning outcomes and methods of evaluation and the assigned project.
3. Selection of a student representative.
4. Discuss student course expectations and writing assignments.
5. Introduction to sources of on line financial information including Mergent's online
6. Presentation and discussion of the material in Chapters 1 and 2.
7. Overview of ThomsonOne
8. Discuss ST-2
9. Class shares target company and peer group selection with class and discusses project timeline.

ASSIGNMENTS TO BE COMPLETED PRIOR TO WORKSHOP TWO

1. Complete homework problems: 1-2, 2-4, 2-13, 2-14.
2. Read Chapter 3 including all appendices and review calculator keys and functions.
3. Retrieve financial statements ~~from Merges~~ for your target company and save electronically.
4. Complete ST-4.
5. Refresh spreadsheet skills in preparation for Skill Builder 1.
6. Begin preparation of Case 1 for completion and turn-in in Workshop 7.

WORKSHOP TWO

OBJECTIVES

After completion of this workshop, the student will:

- Be proficient in using the financial calculator's time value of money functions and related worksheets.
- Have working knowledge of time value of money and related functions in Excel worksheets.
- Be able to complete complex problems applying time value of money concepts.

ACTIVITIES

1. Review homework problems for Chapters 1 and 2 if needed.
2. Presentation and discussion of Chapter 3.
3. Review and refresher of the financial calculator (setting decimal places, memory function, worksheet, keys for N, I/Y, PV PMT, FV, CE/C, RCL, STO, +/-, etc.). Specific TMV and other calculator functions will be addressed throughout the class.
4. Using calculator to compute effective interest rate (I Conv).
5. Using calculator amortization schedule
6. Demonstration of TVM functions in Excel.
7. Review ST-4
8. Small group work to build calculator skills: Problems 3-1 through 3-9
9. Small group work to refresh time value of money skills.

ASSIGNMENTS TO BE COMPLETED PRIOR TO WORKSHOP THREE

1. Complete homework problems: 3-12, 3-18, 3-34, and 3-35.
2. Read Chapter 4 including appendix.
3. Complete Chapter 4, ST-2.
4. Begin preparation of Case 2 for completion and turn-in in Workshop 7.

NOTES:

WORKSHOP THREE

OBJECTIVES

After completing this workshop, the student will:

- Understand and be able to apply various definitions of risk in financial decision making
- Be able to compute commonly used numerical risk measures
- Be proficient in the use of a calculator to compute “Beta.”
- Be proficient in applying and interpreting regression analysis in Excel to estimating Betas.

ACTIVITIES

1. Review Chapter 3 homework as needed.
2. Presentation and discussion of material in Chapters 4 including appendix..
3. Review ST-2
4. In class exercise related to Skill Builder I.
5. Computing Betas with the calculator
6. Demonstration of regression analysis in Excel and review of interpretation of output.

ASSIGNMENTS TO BE COMPLETED PRIOR TO WORKSHOP FOUR

1. Complete homework problems: 4-2, 4-4, 4-11, 4-15 and 4-16
2. Read Chapter 5.
3. Complete Chapter 5, ST-3 and ST-5
4. Complete Skill Builder I
5. Begin preparation of Case 2 for completion and turn-in in Workshop 7.

NOTES:

WORKSHOP FOUR

OBJECTIVES

After completion of this workshop, the student will be able to:

- Value financial and real assets including stocks and bonds
- Determine earned and expected rates of return and yields.
- Compute yields to maturity
- Differential between current yield, capital gain yield, expected return, actual return for financial assets
- Describe, explain and demonstrate the relationship between risk, return and value
- Understand and explain the “Efficient Market Hypothesis” and its implications for the valuation of assets.

ACTIVITIES

1. Review home work problems for Chapters 4.
2. Turn in Skill Builder I
3. Presentation and discussion of material in Chapter 5.
4. Compute bond values, yields and YTM.
5. Compute stock values utilizing various assumptions
6. Review ST-3 and ST-5.
7. Small group work on problems 5-1 through 5-9
8. Review Mergent’s and demonstrate download of data and preparation of file for Skill Builder II.

ASSIGNMENTS TO BE COMPLETE PRIOR TO WORKSHOP FIVE

1. Complete homework problems: 5-14, 5-21, 5-24.
2. Analyze the price pattern and dividend policy of your selected target company over the previous 5 years for presentation to the class and inclusion in project.
3. Read Chapter 11 through page 473.
4. Download financial statements from Mergent’s database for target company and save in ONE excel file. The Income Statement, Balance Sheet and Statement of Cash Flow should be in separate sheets.
5. [Begin preparation of Case 3 for presentation and turn in in Workshop 7.](#)

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WORKSHOP FIVE

OBJECTIVES

After completion of this workshop, the student will be able to

- Critically evaluate an annual report
- Read and interpret financial statements
- Differential between Net Income and Cash Flow
- Calculate and interpret commonly used financial ratios
- Apply the DuPont Analysis

ACTIVITIES

1. Review homework problems for Chapter 5
2. Student's present and discuss dividend policies and price patterns for selected target company
3. Presentation and discussion of Chapter 11 through ratio analysis
4. Review of student financial statements with explanation of the preparation of Skill Builder II
5. Small group work on problem 11-2 and 11-4

ASSIGNMENTS TO BE COMPLETED PRIOR TO WORKSHOP SIX

1. Complete homework problems 11-5, 11-25
2. Read Chapter 5, page 473-481
3. Complete Chapter 5, ST-4
4. Complete Skill Builder II
5. [Begin preparation of Case 36 for presentation and turn in in Workshop 7.](#)

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NOTES:

WORKSHOP SIX

OBJECTIVES:

At the completion of this workshop, the student be able to

- Compute basic corporate and personal income taxes
- Differentiate between ordinary and capital gain income and apply appropriate tax treatments
- Differentiate between dividend and interest income and apply appropriate tax treatments

ACTIVITIES:

1. Review homework problems from Chapter 11
2. Presentation and Discussion of the remainder of Chapter 11
3. Review ST-4
4. Turn-in Skill Builder II
5. Individual and/or small group work on term project in computer lab if possible.
6. Discuss organization and review Excel skills required for project including formatting, computations and formulas, graphs, etc..

ASSIGNMENTS TO BE COMPLETED PRIOR TO WORKSHOP SEVEN
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- | |
|---|
| <ol style="list-style-type: none">1. Complete homework problems 11-8, 11-18-11-22.2. Presentation for Case 1, 2, 3 or 36 if you are presenting3. Completion of Cases to be turned in for a grade (Case 1, 2, 3, 36) |
|---|

NOTES:

WORKSHOP SEVEN

OBJECTIVES

At the completion of this workshop, the student will have

- Enhanced oral presentation skills
- Applied financial theory to business decision making

ACTIVITIES

1. Review homework problems for Chapter 11
2. Students present case analyses: Case 1, 2, 3 and 36

ASSIGNMENTS TO BE COMPLETED PRIOR TO WORKSHOP EIGHT
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| <ol style="list-style-type: none">1. Read Chapter 12 through page 512, Financial Control |
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WORKSHOP EIGHT

OBJECTIVES:

At the completion of this workshop, the student will

- Understand the importance of an accurate sales forecast and how it relates to profitability and value
- Be able to prepare a financial forecast
- Develop Pro Forma financial statements
- Be able to apply the Percent of Sales Forecasting Technique
- Plan for the acquisition of funds required to support sales growth
- Understand and plan for the impact of spontaneous asset and liability changes on the financial forecast

ACTIVITIES:

1. Presentation and discussion of Chapter 12, financial forecasting and planning in class exercise.
2. Percent of Sales Forecast and Financial Plan (see Appendix 12A for an example).
3. Small group work on problem 12-2

ASSIGNMENTS TO BE COMPLETED PRIOR TO WORKSHOP NINE

1. Complete homework problems 12-4, 12-10, 12-11, 12-14
2. Read Chapter 12, pages 512 to completion
3. Complete ST-2

NOTES:

WORKSHOP NINE

OBJECTIVES:

After completing this workshop, the student will

- Understand the relationship between financial planning and control
- Understand, compute and apply breakeven analysis in business decision-making
- Distinguish between operating and financial breakeven
- Be able to compute and apply leverage measures
- Use the information in leverage measures for financial planning and control
- Understand the limitations of breakeven and leverage analysis

ACTIVITIES:

1. Review homework problems as needed
2. Presentation and Discussion of Chapter 12, Financial Control and Leverage
3. In-class breakeven analysis: graphical and computational
4. Applied Leverage Example
 - Operating Leverage: definition, computation and application
 - Financial Leverage: definition, computation and application
 - Combine Leverage: definition, computation and application
5. Review ST-2
6. Small group exercise
 - Complete Problem 12-3 using the data for your target companies. Compare and discuss results among the group.

ASSIGNMENTS TO BE COMPLETED PRIOR TO WORKSHOP TEN

1. Complete homework problems 12-5, 12-6, 12-7, 12-12, 12-15
2. Read Chapter 13
3. Complete Chapter 13 ST-3
4. Begin preparation of Case 37 for presentation and turn-in in Workshop 13

NOTES:

WORKSHOP TEN

OBJECTIVES:

After completing this workshop, the student will

- Understand the importance of sound working capital management and its link to value
- Be able to define and discuss working capital terminology
- Discuss the interrelationship between working capital accounts
- Compute and apply the cash conversion cycle
- Define and discuss alternative current asset investment policies, their relationship to risk and return and implications for management decision-making
- Define and discuss alternative financing policies, their relationship to risk and return and implications for management decision making

ACTIVITIES:

1. Review homework problems as needed
2. Discuss small group leverage analyses and comparison
3. Presentation and discussion of Chapter 13
4. In-class example demonstrating the relationship between working capital accounts
5. Cash conversion cycle, computation and application
6. Determining the appropriate level of current assets
7. Determining the appropriate financing of current assets
8. Review ST-3
9. Small group problem solving, problem 13-7

ASSIGNMENTS TO BE COMPLETED PRIOR TO WORKSHOP ELEVEN

1. Complete homework problems 13-2, 13-4, 13-8, 13-9
2. Read Chapter 14
3. Complete Chapter 14 ST-3
4. Begin preparation of Case 29 for presentation and turn-in in Workshop 13

NOTES:

WORKSHOP ELEVEN

OBJECTIVES:

After completing this workshop, the student will

- Understand the importance of cash management for firm effectiveness and value
- Be able to create a cash budget and apply it as a management tool
- Be able to apply the Baumol Model and Miller-Orr Model to establish optimal cash balances
- To evaluate changes in a credit policy for impacts on profitability and value
- Have acquired other tools to manage cash collections and disbursements, accounts receivable and inventory

ACTIVITIES:

1. Review homework problems as needed
2. Presentation and discussion of Chapter 14
3. Presentation of Miller-Orr Model, computation and application
4. In-class applied example of evaluating a change in credit policy
5. Review of Chapter 14 ST-3
6. Small group problem solving, problem 14-3
7. Review of Excel skills required for Skill Builder III

ASSIGNMENTS TO BE COMPLETED PRIOR TO WORKSHOP TWELVE

1. Complete homework problems 14-6, 14-11, 14-16, 14-18
2. Complete Skill Builder III to turn in
3. Complete Chapter 15, ST-2
4. Begin preparation of Cases 31 and 34 for presentation and turn-in in Workshop 13

NOTES:

WORKSHOP TWELVE

OBJECTIVES:

After completing this workshop, the student

- Be skilled at using the calculator to compute effective interest rates
- Be able to discuss and evaluation various sources of short-term financing
- Compare and evaluate bank loans based on effective interest rates and other relevant factors
- Compare and evaluate procedures for accounts receivable and/or inventory financing

ACTIVITIES:

1. Review homework problems as needed
2. Collect Skill Builder III
3. Presentation and discussion of Chapter 15
4. Review Chapter 15 ST-2

ASSIGNMENTS TO BE COMPLETED PRIOR TO WORKSHOP 13

1. Complete homework problems 15-3, 15-5, 15-7 15-14, 15-16, 15-17
 2. Complete cases 37, 29, 31, 34 for presentation and turn-in in Workshop Thirteen
 3. Complete Ratio project to turn-in in Workshop 13 and Present in Workshop 14.

NOTES:

WORKSHOP THIRTEEN

OBJECTIVES:

After completing this workshop, the student will

- Be able to critically evaluate and analyze “real life” business situations and offer recommendations to improve firm effectiveness

ACTIVITIES

1. Review homework problems as needed
2. Students present Cases 37, 29, 31 and 34
3. Collect Applied Ratio Project

ASSIGNMENTS TO BE COMPLETED PRIOR TO WORKSHOP 14

1. Complete preparation of project presentation

WORKSHOP FOURTEEN

OBJECTIVES:

After completing this workshop, the student will have the skills to deliver a professional presentation with confidence and self-assurance

ACTIVITIES

1. Students present their Applied Ratio Analysis to the class
2. Complete course evaluation forms

APPENDIX

Appendix i	Writing Policy
Appendix ii	Project Description
Appendix ii	Sample Outline
Appendix iv	Project Evaluation Form

Appendix i

DIVISION OF BUSINESS AND ECONOMICS

WRITING POLICY

To support the division's expectation that its students will demonstrate acceptable writing skills as evidenced by error free grammar and acceptable professional style by the junior year, the Division of Business and Economics has established the following "Writing Policy" for its programs.

Policy: A minimum twenty-five percent of the grade on ALL written assignments is based on the writing skills evidenced in the writing assignment. Those skills are evaluated using the written report evaluation criteria attached to this policy.

Approved unanimously, January 29, 2003

Effective: Fall 2003

APPENDIX ii

Project Description

BUS 405
Fall Semester
Industry Financial Analysis Project
Dr. C. C. Mount



For this project you will ~~you will~~ select an enterprise (target company) and conduct a peer group analysis. The analysis will focus on the financial aspects of the industry, qualitative and quantitative. The qualitative analysis will focus on the industry or peer group environment. The quantitative component will include a cross-sectional ratio analysis, assessing your company's financial performance against the group of industry peers, a common size statement analysis and a review and summary of other pertinent financial information about the target and the peer group.

The qualitative analysis provides a framework for assessing the target company's performance and position in its industry. This analysis and accompanying discussion should include a thorough description of the competitive environment and the factors and influences impacting on financial performance. Factors to consider in your analysis include:

- Description and analysis of industry structure such as the target operating segments, direct competitors (key rivals), direct substitutes, concentration of competitors and market share of the peer group, product differentiation strategies, barriers to entry, and current trends.
- Strategic characteristics such as, stage in industry life cycle, issues facing the industry, and key financial success factors.
- Description and analysis of economic conditions, current, forecasted and trends.

You may select any company for which publicly held data is available. Once you have identified the company, you will select the group of industry peers, competitors in the same industry for which publicly held data is available. The peer group analysis should include five companies, your target company and four competitors. A suggested outline for the information to include in your final report is attached.

Using the Excel program, create a file for data you've collected. A suggested approach is to save data for individual companies in separate sheets in one file or workbook. You may then manipulate the information to create the company and industry ratios you will need for the analysis, create tables and charts. Most companies make their financial data available on their websites. Other sources are available. To save time, select the source data that will be easiest to download or copy into your spreadsheet. Tables and charts created in Excel may be imported into a Word document for inclusion in the written report. You will turn in a written report

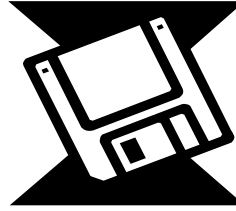
(containing appropriate tables, graphs, appendices, etc) in class and email me a file containing the Excel analysis to cmount@walsh.edu with your last name and "project" in the message line.

Your completed report should be a professional document verbally presenting your description of the target and competitor companies, an analysis of the industry's competitive environment and the target company's performance in that industry supported by appropriate summary tables showing your company's ratios, the industry average ratios and your "one word" evaluation of your company's competitive performance. Use your computer applications skills to create a professional, verbally and visually effective report. Be sure to include any other charts or graphs important to the analysis.

You will also present your analysis to a group of your colleagues. The oral presentation should include a PowerPoint slideshow and other handouts you feel would enhance the presentation and engage you audience. The oral presentation should take fifteen minutes. This is a presentation, not a reading. **DO NOT READ YOUR REPORT TO THE YOUR COLLEAGUES.** Reading your report will result in "O" presentation points. You may use note cards but transferring the information from the report to the cards and then reading from the cards is tantamount to reading the report. You should be familiar enough with your report to use the electronic slides as your prompts. The slides should be informative, easy to read and contain only bullet points you wish to expand or summary information.

NOTES:

APPENDIX iii



Advanced Business Finance
Sample Project Outline
Fall 2004

SAMPLE OUTLINE

- **Introduction**

Begin with a two to three paragraph discussion introducing your industry, peer group and company.

- **Industry Analysis Discussion**

This section should include a **thorough** description of the financial, economic and competitive environment in the industry and discussion of the factors and influences impacting on financial performance in that industry. You must provide a framework for assessing the company's performance and discussion of your target company's place in that industry.

- **Peer Group**

Present the peer group competitors (five including your company), discuss the respective peers and provide your rationale for selecting them as competitors. You will need to provide supporting quantitative and qualitative data such as relative market shares, assets and sales size, growth (sales, assets, earnings etc.)

- **Target Company**

Describe your company in depth, discuss your company's relative position within the peer group and provide any recent information about your company's operating or financial activities that could impact on its financial performance.

- **Ratios:**

Discuss the ratios you have selected for the comparative ratio analysis and your rationale for selecting them. You should include measures of performance in all areas. You need not define how the ratios are computed unless they are not commonly used ratios. Your colleagues are familiar with computing ratios and ratio analysis.

- **Comparative Ratio Analysis**

Discuss the results of the cross-sectional and trend analyses. Give possible explanations for your company's performance and recommendations of changes they might consider to improve in the future.

- **Summary and recommendations**

- **Conclusion**

- **Bibliography:** include all sources. Sources may be web based but a **minimum** of five print

sources is required. All sources should be documented using the APA approach. APA style guides are available in the library if you need to review APA documentation style.

WRITTEN REPORT

Word process the written report using single spacing with double spacing between paragraphs. Use appropriate headings and place graphs appropriately to enhance understanding and appearance. Include page number. This is a professional document.

DIVISION OF BUSINESS AND ECONOMICS

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Approved unanimously, January 29, 2003

Effective: Fall 2003

APPENDIX iv

BUS 405
Advanced Business Finance
Project Evaluation

Name _____
Company _____
Industry _____

PEER GROUP ANALYSIS

CONTENT

1. INDUSTRY ANALYSIS (10)
(Depth and breadth of discussion)

2. PEER GROUP/COMPANY/RATIO SELECTION (10)
(Selection, description, supporting information)

3. ANALYSIS (25)
(Discussion of results, analysis of performance, explanation, recommendations)

WRITING (25)

(Organization, appearance, appropriate use of tables, graphs, appendices, etc.)

SPREADSHEET ANALYSIS (20)

(Organization, clarity, formulas, tables, formatting)

ORAL PRESENTATION (10)

(Slideshow, delivery)

	Possible	Earned
Content	45	
Written Presentation	25	
Spreadsheet Analysis	20	
Oral Presentation	10	
Total	100	