

Valid for 2023.FS

Module Name: Introduction to Finance	
Module Code	w.BA.XX.1IFin-IM.XX
Module Description	This module introduces students to the major concepts and topics of finance. Students will be proficient in the methodologies required to analyze investments, corporate finance strategies, instruments for financing, and dividend policy. Moreover, they will understand key financial theories such as modern portfolio theory and the capital asset pricing model.
Program and Specialization	International Management
Legal Framework	Academic Regulations BSc dated 29.01.2009, for the degree programs in Business Administration, International Management, Business Information Technology, Business Law, Business Law and Applied Law, first adopted on 12.05.2009
Module Category	Module Type: Compulsory
	Program Phase: First-Year Studies
ECTS	6
Organizational Unit	W Institut für Financial Management (IFI)
Module Coordinator	Niccole Jordan (lerh)
Deputy Module Coordinator	-
Prerequisite Knowledge	Introduction to Accounting
Contribution to Program Learning Goals (Affected by Module)	§ Professional Competence § Methodological Competence § Social Competence § Self-Competence
Contribution to Program Learning Objectives	Professional Competence § Knowing and Understanding Content of Theoretical and Practical Relevance § Apply, Analyze, and Synthesize Content of Theoretical and Practical Relevance § Evaluate Content of Theoretical and Practical Relevance Methodological Competence § Problem-Solving & Critical Thinking § Scientific Methodology § Work Methods, Techniques, and Procedures § Information Literacy § Creativity & Innovation Social Competence § Written Communication § Oral Communication § Teamwork & Conflict Management § Intercultural Insight & Ability to Change Perspective Self-Competence § Self-Management & Self-Reflection § Ethical & Social Responsibility § Learning & Change
Module Learning Objectives	Students... § are able to understand the attributes of a corporation and the agency relationships. § are able to calculate and apply investment decision rules. § are able to understand and apply various models of valuing stocks and their returns. § are able to understand and calculate common measures of risk and returns under consideration of the capital asset pricing model. § are able to understand and calculate the cost of capital. § are able to evaluate the capital structure in a perfect market. § are able to describe and understand a corporation's payout policy. § are able to understand factors that affect financial option prices and calculate their payoffs. § are able to describe how companies are able to raise capital, including the IPO process. § are able to define working capital and calculate the cash and operating cycles. § are able to evaluate and calculate financial decision-making under consideration of the law of one price and the time value of money.

Module Content	§ The Corporation § Financial Decision-Making and the Law of One Price § The Time Value of Money § Investment Decision Rules § Valuing Stocks § Capital Markets and the Pricing of Risk § Optimal Portfolio Choice and the Capital Asset Pricing Model § Estimating the Cost of Capital § Capital Structure in a Perfect Market § Payout Policy § Financial Options § Raising Equity Capital § Working Capital Management		
Links to other modules	The content of this module is linked to the following modules: w.BA.XX.1ACC-IM.XX w.BA.XX.1IBP-IM.XX		
Methods of Instruction	§ Lecture § Exercises § Problem-Oriented Teaching	Social Settings Used: § Individual Work § Pair Work	
Digital Resources	§ Reader § Teaching Materials § Practice and Application Exercises (with Key) § Multiple Choice Tests § MyLab		
Type of Instruction	Classroom Instruction	Guided Self-Study	Autonomous Self-Study
Large Class	56 h	56 h	
Small Class	-	-	
Group Instruction	-	-	
Practical Work	-	-	
Seminar	-	-	
Total	56 h	56 h	68 h
Performance Assessment			
End-of-module exam	Form	Length (min.)	Weighting
Written exam	Open book	90	85.00 %
Permitted Resources	Free choice of calculator	With dictionary	
Others			
Written Assignment	Assessment	Length (min.)	Weighting
	Grade	-	15.00 %
Classroom Attendance Requirement	Mandatory Attendance: None		
Language of Instruction/Examination	English		
Compulsory Reading	§ Berk, J. & DeMarzo, P. (2019). Corporate Finance. 5th edition. Pearson. ISBN 9781292304151. § MyLab Finance		
Recommended Reading	-		
Comments	MyLab Finance is an e-learning tool used together with the required book by Berk & DeMerzo, to which you will need to have access.		