Zurich University
of Applied Sciences

School of
Management and Law

**Valid for** 2024.FS

| **Module Name: Introduction to Finance** | | |
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| 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:**<br>Compulsory | **Program Phase:**<br>First-Year Studies |
| ECTS | 6 | |
| Organizational Unit | W Institut für Financial Management (IFI) | |
| Module Coordinator | Niccole Jordan (lerh) | |
| Deputy Module Coordinator | Mehdi Mostowfi (mosw) | |
| Prerequisite Knowledge | Introduction to Accounting | |
| Contribution to Program Learning Goals (Affected by Module) | § Professional Competence<br>§ Methodological Competence<br>§ Social Competence<br>§ Self-Competence | |
| Contribution to Program Learning Objectives | Professional Competence<br>§ Knowing and Understanding Content of Theoretical and Practical Relevance<br>§ Apply, Analyze, and Synthesize Content of Theoretical and Practical Relevance<br>§ Evaluate Content of Theoretical and Practical Relevance<br>Methodological Competence<br>§ Problem-Solving & Critical Thinking<br>§ Scientific Methodology<br>§ Work Methods, Techniques, and Procedures<br>§ Information Literacy<br>§ Creativity & Innovation<br>Social Competence<br>§ Written Communication<br>§ Oral Communication<br>§ Teamwork & Conflict Management<br>§ Intercultural Insight & Ability to Change Perspective<br>Self-Competence<br>§ Self-Management & Self-Reflection<br>§ Ethical & Social Responsibility<br>§ Learning & Change | |
| Module Learning Objectives | Students...<br>§ are able to understand the attributes of a corporation and the agency relationships.<br>§ are able to calculate and apply investment decision rules.<br>§ are able to understand and apply various models of valuing stocks and their returns.<br>§ are able to understand and calculate common measures of risk and returns under consideration of the capital asset pricing model.<br>§ are able to understand and calculate the cost of capital.<br>§ are able to evaluate the capital structure in a perfect market.<br>§ are able to describe and understand a corporation's payout policy.<br>§ are able to understand factors that affect financial option prices and calculate their payoffs.<br>§ are able to describe how companies are able to raise capital, including the IPO process.<br>§ are able to define working capital and calculate the cash and operating cycles.<br>§ are able to evaluate and calculate financial decision-making under consideration of the law of one price and the time value of money. | |

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| Module Content | § The Corporation<br>§ Financial Decision-Making and the Law of One Price<br>§ The Time Value of Money<br>§ Investment Decision Rules<br>§ Valuing Stocks<br>§ Capital Markets and the Pricing of Risk<br>§ Optimal Portfolio Choice and the Capital Asset Pricing Model<br>§ Estimating the Cost of Capital<br>§ Capital Structure in a Perfect Market<br>§ Payout Policy<br>§ Financial Options<br>§ Raising Equity Capital<br>§ Working Capital Management |
| Links to other modules | The content of this module is linked to the following modules:<br>w.BA.XX.1ACC-IM.XX |
| | w.BA.XX.1IBP-IM.XX |
| Methods of Instruction | § Lecture<br>§ Exercises<br>§ Problem-Oriented Teaching |
| **Social Settings Used:** | § Individual Work<br>§ Pair Work |
| Digital Resources | § Reader<br>§ Teaching Materials<br>§ Practice and Application Exercises (with Key)<br>§ Case Studies (with Key)<br>§ Multiple Choice Tests<br>§ 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** | **Assessment** | **Length (min.)** | **Weighting** |
|---|---|---|---|
| Written Assignment | Grade | - | 15,00 % |

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| Classroom Attendance Requirement | Mandatory Attendance: None<br><br>- |
| Language of Instruction/Examination | English |
| Compulsory Reading | § Berk, J. & DeMarzo, P. (2023). Corporate Finance. 6th edition. Pearson. ISBN 9781292446318.<br>§ 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. |