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| Module Title: | Corporate Finance for Business |
| Credits: | 10 |
| NFQ Level: | 8 |
| Module Delivered In | 6 programme(s) |
| Teaching & Learning Strategies: | Lectures - communication of knowledge and ideas from the lecturer to the student. Problem Solving Exercises - student will work as part of a team and will work together to resolve various business scenarios. Class Discussion/Debate - Students will be encouraged to actively participate in the class sessions which will develop their analytical and communication skills. E-Learning - It is envisaged that the module will be supported with on-line learning materials. Self-Direct Independent Learning - the emphasis on independent learning will develop a strong and autonomous work and learning practices. |
| Module Aim: | The aim of this module is to develop theoretical and practical skills and knowledge expected of a business manager, in relation to investment, financing and dividend policy decisions (enabled by the completion of financial accounting 1, management accounting and business finance). |
| Learning Outcomes | |
| <i>On successful completion of this module the learner should be able to:</i> | |
| LO1 | Define and explain the key terms, concepts and practices for: Allocating resources to capital expenditure projects; Managing risk and return; Financing operations; Evaluating financial risk and theories on capital structure; Evaluating optimal dividend levels; and Evaluating business mergers; in the pursuit of corporate objectives. |
| LO2 | Identify and apply appropriate corporate finance techniques when presented with defined and undefined practical business problems; |
| LO3 | Analyse and interpret results and outcomes within a corporate finance framework and make recommendations. |
| LO4 | Critically examine the tools and techniques that are used to aid decision-making in the area of corporate finance. |
| Pre-requisite learning | |
| Module Recommendations <i>This is prior learning (or a practical skill) that is recommended before enrolment in this module.</i> | |
| No recommendations listed | |
| Incompatible Modules <i>These are modules which have learning outcomes that are too similar to the learning outcomes of this module.</i> | |
| No incompatible modules listed | |
| Co-requisite Modules | |
| No Co-requisite modules listed | |
| Requirements <i>This is prior learning (or a practical skill) that is mandatory before enrolment in this module is allowed.</i> | |
| No requirements listed | |

Module Content & Assessment

Indicative Content

Objectives of Financial Management

Nature and role of financial management; Corporate objectives; Agency theory; Balancing risk and return; Current and emerging developments in finance.

Investment Appraisal and Decision-Making

The investment process; Non-discounted cash flow techniques; Discounted cash flow (DCF) techniques; Identification of a projects relevant costs and benefits; Capital market imperfections: taxation and inflation.

Risk and Return

Risk and investment appraisal (Risk adjusted discount rate; Sensitivity analysis; Scenario analysis & Probability analysis); Portfolio theory; Capital assets pricing model (CAPM).

Cost of Capital

Cost of equity capital using CAPM and dividend valuation model; Cost of debt finance and other forms of finance; Weighted average cost of capital (WACC); Effect of WACC and business valuation; Capital market efficiency.

Capital Structure Debate

Financial gearing; Business and financial risk; Traditional view of the optimal capital structure; Modigliani & Miller's capital structure theory (with & without tax); Practical influences on the optimal gearing level.

Dividend Decisions

Nature of dividends; Importance of dividends; Modigliani and Miller's dividend irrelevance theory; Dividends as a residual; Practical influences on the level of dividends; Effect of dividend policy on financing decisions.

Business Mergers

Reasons for mergers & takeovers; Main forms of purchase consideration; Winners and losers from takeover activity; Tactics to defend against a hostile bid; Main methods for valuing shares of a business.

| Assessment Breakdown | % |
|----------------------------------|--------|
| Continuous Assessment | 30.00% |
| End of Module Formal Examination | 70.00% |

Continuous Assessment

| Assessment Type | Assessment Description | Outcome addressed | % of total | Assessment Date |
|-----------------|------------------------|-------------------|------------|-----------------|
| Other | Various | 1,2,3,4 | 30.00 | Sem 1 End |

No Project

No Practical

End of Module Formal Examination

| Assessment Type | Assessment Description | Outcome addressed | % of total | Assessment Date |
|-----------------|-----------------------------------|-------------------|------------|-----------------|
| Formal Exam | End-of-Semester Final Examination | 1,2,3,4 | 70.00 | End-of-Semester |

ITCarlow reserves the right to alter the nature and timings of assessment

Module Workload

| Workload: Full Time | | |
|----------------------------|------------------|--|
| <i>Workload Type</i> | <i>Frequency</i> | <i>Average Weekly Learner Workload</i> |
| Lecture | Every Week | 2.00 |
| Tutorial | Every Week | 1.00 |
| Independent Learning | Every Week | 4.00 |
| Total Hours | | 7.00 |

| Workload: Part Time | | |
|----------------------------|------------------|--|
| <i>Workload Type</i> | <i>Frequency</i> | <i>Average Weekly Learner Workload</i> |
| Lecture | Every Week | 1.50 |
| Independent Learning Time | Every Week | 5.50 |
| Total Hours | | 7.00 |

Module Delivered In

| Programme Code | Programme | Semester | Delivery |
|-----------------------|--|-----------------|-----------------|
| CW_HHIBU_B | <u>Bachelor of Business (Honours) in International Business</u> | 4 | Elective |
| CW_BBLAW_B | <u>Bachelor of Business (Honours) in Business with Law</u> | 4 | Elective |
| CW_BBHRM_B | <u>Bachelor of Business (Honours) in Human Resource Management</u> | 4 | Elective |
| CW_BRLMB_B | <u>Bachelor of Business(Honours) in Management</u> | 4 | Elective |
| CW_BBBBM_B | <u>Bachelor of Business(Honours) in Management</u> | 4 | Elective |
| CW_BBSCM_B | <u>Bachelor of Business(Honours) in Supply Chain Management</u> | 4 | Elective |