



BUSINESS FINANCE

Syllabus

III 2.19

Specialty: 073 “Management”

Educational program “Management”

Quarter/Year: Spring/2022

ECTS Credits: 6

Instructor: Olena Zhytkevych, PhD, Associate Professor

US Credits: 3

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Prerequisites: Principles of Finance

Course Description

This course is dedicated to the theory and practice of crediting of investment projects and the skills of making decisions about involving credit sources for financing investment projects in conditions of uncertainty, finding reliable lenders and choosing attractive credit programs.

Course Outcomes

Upon successful completion of this course, students will be able to:

PH3. Demonstrate knowledge of theories, methods and functions of management, modern concepts of leadership.

PH4. Demonstrate skills to identify problems and justify management decisions.

PH5. Describe the content of the functional areas of the organization.

PH6. Identify skills of search, collection and analysis of information, calculation of indicators to justify management decisions.

PH7. Demonstrate organizational design skills.

PH10. Have the skills to justify effective tools to motivate the staff of the organization.

PH12. Assess the legal, social and economic consequences of the organization.

PH15. Demonstrate the ability to act socially responsibly and socially consciously on the basis of ethical considerations (motives), respect for diversity and interculturalism.

PH16. Demonstrate skills of independent work, flexible thinking, openness to new knowledge, be critical and self-critical.

Competencies

3K4. Ability to apply knowledge in practical situations.

3K8. Skills in the use of information and communication technologies.

3K11. Ability to adapt and act in a new situation.

CK3. Ability to determine the prospects for the development of the organization.

CK5. Ability to manage the organization and its departments through the implementation of management functions.

CK14. Understanding of the principles of psychology and use them in professional activities.

Internationality: This course provides students with information on multinational approaches and trends in investing and crediting, new concepts and approaches to investment strategy development. It includes topics dedicated to the foreign financial markets, and also best foreign practices of banking, government lending, mortgage, international investment lending and leasing.

Communications

For individual issues, students should contact the professor **ONLY** by given e-mail or by Moodle. In the Subject line they should put: UACUFirstNameLastName. E-mail messages will normally be answered within 24 hours.

Note! Only emails sent from the student's corporate email address will be answered.

Student Responsibilities

Time Commitment

The study of technical courses is cumulative (i.e., an understanding of earlier material is necessary to grasp concepts covered later). Past experience has shown a high correlation between procrastination and low grades. Students must be committed to completing tasks on time.

Technical Aspects

The student is obliged to provide himself/herself with all the necessary technical equipment for the educational process (laptop or computer, webcam, headsets or headphones and microphone), as well as access to the Internet.

Only students signed-in with their own first and last name are allowed into video lectures in Zoom.

Grading Policy

The course is based on mastery of course outcomes. Student grades for this course will be calculated based on performance.

Note: the minimal grade to pass a subject is 60%.

Graduate Grading Guidelines

The assignment of a letter grade for a course is an indication of the student's overall success in achieving the learning outcomes for the course. The course letter grade may be viewed as a summary statement of the student's achievement in individual assessments (assignments & activities). These assessments are intended to identify for students their strengths as well as those areas in need of improvement. Student work is assessed according to the guidelines below.

Course-level Grading guidelines:

Grade	ECTS Grade	International Grade
90% - 100%	A	5 (Excellent)
83% - 89%	B	4 (Very Good)
75% - 82%	C	4 (Good)
70% - 74%	D	3 (Good)
60% - 69%	E	3 (Acceptable)
35% - 59%	FX	Not acceptable, possible repetition of course

Criteria for grading:

ECTS grade	Requirements for the student
A	The student demonstrated a comprehensive systemic and in-depth knowledge of program material; processed basic and additional literature; obtained a solid grasp of the conceptual apparatus, methods, techniques and tools provided by the program; found creative abilities in the presentation of the educational program material both on this issue and on related modules of the course and related courses, or the student had a current control of 90-100 points
B	The student demonstrated good knowledge of program material; processed the basic literature, mastered the conceptual apparatus, methods, techniques and tools provided by the program, but with some inaccuracies
C	
D	The student showed mediocre knowledge of the core program material; learned information mainly from a lecture course or just one textbook; mastered only certain methods, techniques and tools provided by the program
E	
FX	The student has significant gaps in knowledge of the main program material; fragmentary mastered the basic concepts, techniques and tools; significant mistakes are made when using them

Maximum total possible points – 1000 points incl. (Midterm and Final exam are 60% of overall evaluation, where Midterm – 20% and Final – 40%)

- Test / Assignment / Project – 400 points (several times during the course)
- Midterm exam – 200 points
- Final exam – 400 points

Student Workload

It is assumed that for each out of 17 class sessions a student spends about 10.5 academic hours of work. This includes 3.5 academic hours of lectures with the instructor and 7 academic hours of personal work. Personal work includes the lecture scope study and supplements, preparation for the practical seminars, providing group and individual researches and preparing essays and/or presentations.

Please pay attention that 1 academic hour equals to 40 minutes.

Assignment Format

- All work should be shown in time. If the student misses the deadline – the task is failed.

- Midterm covered topics from previous lectures (weeks 1-6). It included multiple choice questions and cases (essays) and took about 1.5 hours.
- The Final exam covered all course material and included multiple choice questions and cases (essays). It lasts for 1.5 hours. Admission to the Final exam is possible only if all the tasks of the curriculum are covered.
- After the Midterm and Final is graded a student has access to the grade only. Access to the attempt, corrects answers and information whether the answer is correct cannot be granted.

Academic dishonesty

Academic integrity is submitting one's own work and properly acknowledging the contributions of others. Forms of academic dishonesty include:

Plagiarism — submitting all or part of another's work as one's own in an academic exercise such as an examination, a computer program, or written assignment.

Cheating — using or attempting to use unauthorized materials on an examination or assignment, such as using unauthorized texts or notes or improperly obtaining (or attempting to obtain) copies of an examination or answers to an examination.

Facilitating Academic Dishonesty — helping another commit an act of dishonesty, such as substituting for an examination or completing an assignment for someone else.

Fabrication — altering or transmitting, without authorization, academic information or records.

- Any violation of these rules constitutes academic dishonesty and is liable to result in a failing grade and disciplinary action. In case of any academic dishonesty a student is not allowed to continue or retake the assessment activity and for the Final the unsatisfactory grade (“0”) is assigned for the course total. Cases of the academic dishonesty are not considered by the Academic Council.

- Midterm and Final are valid only if they are taken on-campus (room defined by the dean's office) and on UACU's computer/laptop or online on the student's computer/laptop using Zoom and other conditions defined by the dean's office to avoid the cases of academic dishonesty. Students who will not meet this requirement will be expelled from the course with grade “0”.

- In case of missed Midterm or Final exam (for a valid reason like sickness or an emergency) a request to repeat the exam is possible. Permit to repeat a midterm or final exam is done through a letter to the dean's office with request and approval of subject lecturer.

- Submission or retaking of any assessment activities after deadlines are forbidden.

Submission & Return Policy

Assignments must be submitted to the professor on or before the due date indicated in the Course Schedule. The assignments submitted after the due dates receive zero points.

**** NO MAKE –UP QUIZZES AND EXAMS ****

Schedule

Week #	Research Projects	Assignments Due	Points
Lecture 1	Topic 1 Introduction to Business Finance. The concept of investment credit	Review Lecture	Total 20

	The concept of investment credit. Objects of investment lending. Participants of investment lending	Test	
Lecture 2	Topic 2 Investment Projects	Review Lecture	Total 10
	Types of investment projects. Structure of investment projects.	Assignment	
Lecture 3	Topic 3 Investment Climate	Review Lecture	Total 10
	Factors. Indicators. Method of Analyses	Assignment	
Lecture 4	Topic 4 Bank investment lending	Review Lecture	Total 20
	The essence and role of bank investment loans in the economy. Types of bank investment loans. Mechanism of bank investment lending. The banking examination and evaluation of the appropriateness and effectiveness of credit financing of investment projects.	Assignments	
Lecture 5	Topic 5 Comparison of Bank Credit Offers	Review Lecture	Total 10
	Parameters of Bank Credit Offers. Process of decision-making on offering and taking bank loans. Credit expertise. Analysis and selection of applications for investment loan	Assignment	
Lecture 6	Topic 6 Credit Scoring	Review Lecture	15
	Credit score. Credit Bureaus. Credit reporting system. Transparency of financial market. Protection of borrowers' and creditors' rights	Test	20
		Assignments	Total 35
Lecture 7	Topic 7 Real Estate Investing and Mortgage lending	Review Lecture	20
	Characteristics of investment loans secured by real estate. Mortgage market. Classes of commercial real estate. Types of mortgage lenders. Real estate strategies. Principles and methods of assessment of real estate in mortgage lending. Features of valuation of land as the object of investment lending	Test	20
		Assignments	Total 40
Lecture 8	Topic 8 Mortgage Documents	Review Lecture	Total 25
	Documents, forms and papers required for mortgage loans	Test	
Lecture 9	Topic 9 Land Loans	Review Lecture	10
	Specific features of land loans, different types of	Test	10

	land loans and steps of preparation to land purchase financing		
		Assignment	Total 20
	Midterm Exam (20%)		200
Lecture 10	Topic 10 Lease	Review Lecture	20
	Definition of a lease. Lease classification. Lessee classification. Lessor classification. Lease terms. Modification, remeasurement, and termination of a lease. Subleases. Sale and leaseback transactions. Lease agreement	Test	10
		Assignment	Total 30
Lecture 11	Topic 11 Lease market	Review Lecture	20
	Global lease market trends. Local lease market trends. Regulation of lease market. Leasing Company Associations.	Test	10
		Assignment	Total 30
Lecture 12	Topic 12 Lease payments	Review Lecture	20
	Lease liability. Categories of lease payment. Considerations. Lease and non-lease components	Test	10
		Assignment	Total 30
Lecture 13	Topic 13 State Loans	Review Lecture	20
	The essence and characteristics of state loans. Types and mechanism of lending by government.	Test	10
		Assignment	Total 30
Lecture 14	Topic 14 Investment Tax Credit	Review Lecture	20
	Terms of investment tax credit. Types of investment tax credit. Steps of investment tax lending. Documents for investment tax lending	Test	10
		Assignment	Total 30
Lecture 15	Topic 15 International Investment Loans	Review Lecture	20
	Types and importance of International investment loan. Foreign investment credits under state guarantee. Investment lending by international financial and credit institutions. Management of efficiency of foreign investment lending.	Test	10
		Assignment	Total 30
	Final Exam (40%)		400

Recommended Materials

1. Brigham E. F., Houston J. F., 2018. Fundamentals of Financial Management 15th Edition, Kindle Edition, 832 p.

2. CFA Institute. Access mode: <https://www.cfainstitute.org>
3. Corporate Finance Institute. Access Mode: <https://corporatefinanceinstitute.com>
4. Elly R. Twineyo Kamugisha, 2017. The Basics of Business Management, Vol I Leadership, Financial Management and Economics, 284 p.
5. Environmental Risk Management in Lending and Investment: case study. – access mode: <http://www.un.org/esa/sustdev/sdissues/technology/riskmanagement2.pdf>.
6. Hassan F. Gholipour, Reza Tajaddini, Thi Ngoc Tram Pham, 2020, Real estate market transparency and default on mortgages, International Business and Finance, Volume 53, <https://doi.org/10.1016/j.ribaf.2020.101202>
7. Introduction to Investment and Finance/ Lars Wøldike Petersen- access mode: <https://bookboon.com/en/introduction-to-investment-and-finance-ebook>
8. Kieran Farrelly, Simon Stevenson, 2019. The risk and return of private equity real estate funds, Global Finance Journal, Volume 42, <https://doi.org/10.1016/j.gfj.2019.04.005>
9. Lei Wang, Shouwei Li, Jining Wang, Yi Mengab, 2020, Real estate bubbles in a bank-real estate loan network model integrating economic cycle and macro-prudential stress testing, Physica A: Statistical Mechanics and its Applications, Volume 542, <https://doi.org/10.1016/j.physa.2019.122576>
10. Lumbu S. 1996. Investment appraisal and financial decisions, London, 5th ed., Chapman and Hall, 667 p.
11. McGowan J., Sankey D., 2015. Opening Credit: A Practitioner's Guide to Credit Investment, Harriman House, 230 p.
12. Mishkin, F. S., 2003. The economics of money, banking, and financial markets, 6th ed., Boston, Addison Wesley, 738p.
13. Piro Christopher D., 2013, Economics for Investment Decision Makers: Micro, Macro, and International Economics, CFA & Jerald E. Pinto & Larry Harris, 330 p.
14. Portfolio Theory & Financial Analyses/ Robert Alan Hill - access mode: <https://bookboon.com/en/portfolio-theory-financial-analyses-ebook>
15. Sangyup Choi, 2019, Changes in the effects of bank lending shocks and development of public debt markets, Finance Research Letters, <https://doi.org/10.1016/j.frl.2019.06.023>
16. Ultimate Beginner's Guide to Real Estate Investing– access mode: <https://www.biggerpockets.com/real-estate-investing>

** The above schedule and procedures are subject to change in the event of extenuating circumstances.*

Протокол засідання кафедр № 1 від 22.01.2022 року

Проректор з навчально-методичної роботи

Л.І.Кондратенко

Завідувач кафедри

Л.В.Жарова

Викладач

О.В.Житкевич