

Course Name : Financial Management							
Course Code	Course Type	Regular Semester	Lecture (hours/week)	Seminar (hours/week)	Lab. (hours/week)	Credits	ECTS
EMS 226	B	Spring	3.00	1.00	0.00	3.50	5.00
Lecturer		Gentjan Gegaj, Msc					
Assistant							
Course language		English					
Course level		Bachelor					
Description		The Financial Management course provides a comprehensive understanding of financial markets and institutions within the global financial system. It teaches financial statement analysis, including interpreting financial ratios and assessing a company's financial health to make informed investment decisions. Students will also learn how to calculate bond prices under varying circumstances in response to interest rate fluctuations. The course educates students on innovative financial securities and how market players use futures or derivatives to mitigate risk. Ultimately, this course equips students to analyze and manage financial risk, understand the structure of financial institutions and markets, analyze financial statements, and apply economic principles to real-world scenarios.					
Objectives		- Understand principles of financial management in various settings - Develop skills in financial analysis - Learn to make sound financial decisions - Understand the role of financial markets and institutions - Develop an understanding of risk management - Learn about ethical issues in financial management - Understand the time value of money					
Core Concepts		- Financial statements - Time value of money - Risk and return - Capital budgeting - Working capital management - Capital structure - Dividend policy - Financial markets and institutions - International finance - Financial analysis - Cost of capital - Corporate valuation					
Course Outline							
Week	Topic						
1	An introduction to the course and presentation of the syllabus. Students are then presented with the textbook and chapters covered over the weeks.						
2	Getting Started-Principles of Finance. Chapter 1 (pg. 2-15). This chapter covers fundamental finance principles such as the time value of money, risk and return, and an overview of financial markets and instruments like stocks, bonds, and other financial instruments. Evaluate the types of Business Organizations and the goals of financial managers and summarize the basic principles of finance. It sets the foundation for the rest of the course.						
3	Understanding Financial Statements. Chapter 3 (pg. 38- 49). Chapter 3 of the Financial Management course covers understanding financial statements, including balance sheets, income statements, and cash flow statements. Students will learn to analyze financial ratios and use financial statements to make informed investment decisions. The course will cover financial ratios, revenue recognition, and expense recognition.						
4	Understanding Financial Statements. Chapter 3 (pg. 49-68) This section summarizes the basic properties of the balance sheet and cash flow statement. Students will learn to evaluate a firm's financial health by analyzing the interconnection between the financial statements and develop their critical thinking as financial managers.						

5	Financial Analysis-Sizing Up Firm Performance. Chapter 4 (pg. 78-89). This section of the chapter provides an in-depth exploration of evaluating and analyzing a firm's financial performance. The chapter covers various financial metrics and ratios used to assess a company's financial health and performance, such as liquidity ratios and leverage ratios. It offers valuable insights into how to interpret and utilize these metrics for decision-making and evaluation purposes.
6	Financial Analysis-Sizing Up Firm Performance. Chapter 4 (pg. 89- 110). The last section this chapter delves into various aspects of evaluating a company's performance through financial analysis. It covers profitability ratios, market value ratios, and asset management efficiency ratios. These ratios provide essential insights into how well a company is utilizing its resources, generating profits, and creating shareholder value.
7	Quiz and Review before Midterm
8	Midterm
9	An Introduction to Risk and Return-History of Financial Market Returns. Chapter 7(pg. 193-215). This chapter delves into the history of financial markets and how they have performed over time. It provides insights into how returns have varied across different asset classes and the factors contributing to these variations. This information is valuable for investors to make informed decisions and manage their portfolios effectively.
10	Risk and Return – Capital Market Theory. Chapter 8 (pg. 222-233). This chapter analyzes the relationship between risk and return in the context of portfolio management. It explores how investors can analyze and manage portfolio returns and portfolio risk to make informed investment decisions. The chapter delves into various theories and models that help investors understand and quantify the trade-off between the potential for higher returns and the increased risk associated with investment portfolios.
11	Risk and Return – Capital Market Theory. Chapter 8 (pg. 234-243). Second section of chapter 8 delves into the Capital Market Theory, focusing on the relationship between risk and return. The chapter covers systematic risk, which is the risk inherent to the entire market or market segment, as well as the Security Market Line (SML), a graphical representation of the Capital Asset Pricing Model (CAPM). The CAPM helps in determining the expected return on an investment based on its systematic risk.
12	Risk Analysis and Project Evaluation. Chapter 13 (pg. 410- 422). In Chapter 13, we delve into Risk Analysis and Project Evaluation. This chapter covers sensitivity analysis, scenario analysis, and simulation analysis techniques that are essential for evaluating and managing risks in projects. Sensitivity analysis helps in identifying the key variables that can significantly impact the project, while scenario and simulation analysis aid in understanding potential outcomes under different conditions and uncertainties. These techniques are crucial for making informed decisions and developing robust risk management strategies.
13	Risk Analysis and Project Evaluation. Chapter 13 (pg. 423- 435). This section covers the important topics of break-even analysis and real options in capital budgeting. Break-even analysis is a vital tool for determining the point at which revenues equal costs, while real options in capital budgeting involve evaluating the value of managerial flexibility in making decisions about capital investments. This chapter delves into these concepts, providing valuable insights into how they are used in project evaluation and risk analysis.
14	Financial Forecasting and Planning. Chapter 17 (pg. 554-567). This chapter explains the importance of financial planning and forecasting for businesses and provides an overview of creating financial forecasts. The chapter also discusses the different methods and techniques used in financial forecasting, including trend analysis, regression analysis, and time-series analysis. Furthermore, it covers the role of financial planning in decision-making and the benefits of having a well-planned financial strategy in place.
15	Quiz and Revision
16	Final Exam

Prerequisites	The student must attend the course at a minimum rate of 75%.		
Literature	• • Titman, S., Keown, J. A., & Martin, J. D. (2018). Financial Management: Principles and Applications (13th ed.). Pearson.		
References	• • Brigham, E. F., & Houston, J. F. (2019). Fundamentals of Financial Management (15th ed.). Cengage Learning. • • Ross, S. A., Westerfield, R. W., Jordan, B. D., & Roberts, G. S. (2018). Fundamentals of Corporate Finance (12th ed.). McGraw-Hill Education. • • Gitman, L. J., Juchau, R., & Flanagan, J. (2015). Principles of Managerial Finance (7th ed.). Pearson. • • Berk, J., & DeMarzo, P. (2016). Corporate Finance (4th ed.). Pearson.		
Course Outcome			
1	To understand principles of financial management in various settings		
2	To develop skills in financial analysis		
3	To learn to make sound financial decisions		
4	To develop an understanding of risk management		
5	To learn about ethical issues in financial management		
Course Evaluation			
In-term Studies		Quantity	Percentage
Midterms		1	40
Quizzes		2	10
Projects		0	0
Term Projects		0	0
Laboratory		0	0
Class Participation		1	10
Total in-term evaluation percent			60
Final exam percent			40
Total			100
ECTS Workload (Based on Student Workload)			
Activities	Quantity	Duration (hours)	Total (hours)
Course duration (Including the exam week: 16x Total hours of the course)	16	4	64
Study hours outside the classroom (Preparation, Practice, etc.)	14	4	56
Duties	0	0	0
Midterms	1	2	2
Final Exam	1	2	2
Other	1	1	1
Total Work Load			125
Total Work Load / 25 (hours)			5.00
ECTS			5.00