



UNIVERSIDAD DE GUADALAJARA

CENTRO UNIVERSITARIO DE
CIENCIAS ECONÓMICO ADMINISTRATIVAS

MASTER BUSINESS ADMINISTRATION

1.- NAME OF THE SUBJECT

FINANCIAL PLANNING

2.- KEY OF SUBJECT

D0854

3.- PREREQUISITES

NONE

4.- SERIATION

NONE

5.- TRAINING AREA

OPTIONAL OPEN

6.- DEPARTMENT

FINANCE

7.- ACADEMY

INTERNATIONAL FINANCES

8.- TYPE OF SUBJECT

CLASSROOM

9.- TYPE OF COURSE

COURSE

10.- WORKLOAD

HBCA	HAI	TOTAL
48	48	96

11.- CRÉDITS

6

12.- EDUCATION LEVEL

POSGRADUATE / MASTERY

13.- PRESENTATION

In this course the capital budget is determined under conditions of uncertainty developing some fundamental relationships about intercompensaciones between risk and return. Costs and optimal capital structures are determined through mathematical models that consider the value of money over time and the determination of each and every one of the sources of financing such as long-term loans, issuing shares common or preferred, pure or leasing etc. They are studying strategies to promote growth through mergers and handling methods to evaluate potential partners for a merger, study methods and procedures for carrying out reorganizations.

14.- TRAINING STUDENT PROFILE

15.- OBJECTIVES OF THE PROGRAMME

Provide the necessary conceptual and analytical framework for assessing the long-term financial decisions in the company, providing an integrated view of the area of Finance that allows students to specify its scope. In this regard emphasis it is on the characteristics relevant to the structural problems of investment and financing and decision processes of individual components of each of these aspects information.

16.- CONTENT AREA

Capital Budget.

Net Present Value and Other Investment Criteria.

Current Net (NPV) value. Internal Rate of Return (IRR). Difficulties with the use of the TIR. Multiple rates. Inconsistency between NPV and IRR. Capital rationing. Profitability index. Term recovery and Accounting Rate Performance

Decision Making Capital Investment.

Nature of the cash flow effects of the project, relevant costs. treatment

Working capital. The tax effect of amortization. Residual Value. Choosing the appropriate time to make the investment. Investment deferential lives. Replacements. Capital budgeting.

Analysis and Evaluation.

Sensitivity analysis and scenarios. Breakeven analysis NPV, its comparison with the accounting point of balance. Strategic considerations in the capital budget: The flexibility of the projects.

Risk and Performance

Market performance of a financial asset and a portfolio. The risk of returns, his determination. Diversifiable risk and market risk. Sensitivity yields an asset relative to the market. Beta far. The Equilibrium Model of Financial Assets (CAPM). The expected return on the basis of irrigation and evaluation. Investment projects and creating real options.

Cost of Capital and Long-Term Financial Policy

Cost of capital

The cost of capital of the company as a weighted average. Rates of return required for each source of funds, weightings, the corporate tax. Capital cost rates derived from equity valuation models. Changes in capital structure and its effects on the required returns and betas of funding sources

Debt and capital structure

Capital structure and value of the company's arguments Modigliani and Miller before tax and corporate taxes. The tax savings, its effect on the value and cost of capital of the company. Costs of financial distress. The decisions of the owners in a situation of financial distress. Other explanations on the capital structure; equilibrium theories, and financial hierarchy.

Sources of Funding and Leverage

Decisions on capital structure externally financed and their effects on the position of shareholders. Relationship between operating profit and earnings per share. Consideration of the risk of the shareholders. Measures operating, financial and combined leverage; its use in decision-making.

Dividends and Dividend Policy.

Cash dividends, establishment of a dividend policy, share buybacks, dividends in shares and splits.

Mergers, Acquisitions and Other Forms of Corporate Restructuring.**Fusions and acquisitions**

Legal forms of acquisition synergies and profits in mergers, acquisition costs, tactics defensive.

Demergers and divestments.

Reasons to divest, benefits and costs of disinvestment.

17.- BIBLIOGRAPHY

- FUNDAMENTOS DE FINANZAS CORPORATIVAS
- AUTHORS: ROSS/ WESTERFIELD/ JORDAN
- ED. MC GRAW HILL 7ª. EDICIÓN
-
- FUNDAMENTOS DE ADMINISTRACIÓN FINANCIERA
- J. WESTON Y E. F. BRIGHAM
- EDIT. MC. GRAW HILL 10º EDICIÓN.
- FUNDAMENTOS DE ADMINISTRACIÓN FINANCIERA
- JAMES C. VAN HORNE
- EDIT. PRENTICE HALL.
- PRINCIPIOS DE FINANZAS CORPORATIVAS
- RICHARD BREALEY Y STEWART MYERS
- EDIT. MC GRAW HILL

18.- PROFESSIONAL APPLICATION

At the end of the course, students will be able to make long-term financial decisions which include capital budgeting, determining the most profitable investments, the most suitable for the same funding sources, optimizing the financial structure the company, determining the dividend policy and the formulation of strategies for business growth.

The above and is serving as financial manager of a company, or in managing a business.

19.- PROFESSORS TEACHING THE SUBJECT

20.- TEACHER PROFILE

21.- LEARNING PROCESS

Education

- Presentation of topic by the teacher.
- Exposure Case and its solution.

Learning

- Reading the topics in advance
- Solution Case
- Research.

22.- EXTRACURRICULARES ACTIVITIES

23.- FORMULATION, APPROVAL AND VALIDATION

24.- EVALUATION OF LEARNING

- Tasks	25%
- Cases	25%
- Teamwork	25%
- Partial exams	25%
TOTAL	100%

25.- CURRICULUM EVALUATION

26.- CURRICULUM MAP

27.- PARTICIPANTS AND DATE ON THE DEVELOPMENT PROGRAM

Mtro. José Héctor Grave Prado
2015