

**Course:** FINA 6241 Corporate Financial Analysis and Decisions  
**Credits:** 4 credits  
**Prerequisites:** MBA 6230

## **Description**

Building on the core finance class, we examine financial decisions that managers face, with an emphasis on how decisions on the financing side of a firm's business can create or destroy shareholder value. An additional theme is applying ideas from both the core and this course in realistic case settings. Specific issues covered include capital structure and business valuation and strategy, costs of financial distress, costs of issuing securities, capital structure and managerial incentives, dividends and share repurchases, options basics and applications. The course is critical for anyone planning a career in corporate finance or financial services, and it is highly recommended for all business students.

## **Objectives**

1. Provide an understanding of the concerns that managers face in choosing a firm's financing policy and how these interact with investment decisions.
2. Provide more grounding in basic valuation techniques and show how to incorporate more advanced concerns into valuation.
3. Provide an introduction to what options are and how they apply to financing and investment decisions.

## **Learning Outcomes**

1. Students will demonstrate understanding of concepts involving the choice of capital structure and dividend and share repurchase policy.
2. Students will demonstrate proficiency in valuation analysis that incorporates these capital structure and dividend policy concepts.
3. Students will demonstrate understanding of basic options concepts and valuation and their applications to financial decisions.

Students' understanding and proficiency will be developed and evaluated through case studies, practice problems, and examinations.