

FINA 6322 Introductory Financial Modeling

Executive Summary

Course:	FINA 6322 Introductory Financial Modeling
Credits:	2 credits
Prerequisites:	MBA FINA Core Class

Description

Uses financial valuation principles to build practical financial models, which are in turn used to analyze the historical performance and credit worthiness of a business or business unit in a rigorous and organized way. Shows how to use these historical performance models as stepping off points for building financial planning models, which then become financial valuation models for valuing a business and its securities (i.e. for security analysis).

This course will be helpful to MBA students with a wide range of career interests, corporate finance, marketing, consulting, operations and information systems and technology students will find the course useful, as will students with career interests in the financial services industry (e.g. credit and security analysts, investment bankers).

There is a heavy emphasis in this course on learning how to build, operate and interpret comprehensive financial models that provide the framework for understanding businesses, their historical performance, their plans and strategies and their market values.

The ability of students completing this course to build and work with comprehensive financial models should allow them to claim financial modeling and financial analysis capabilities as among their strengths.

This course has been designed to both stand on its own, as well as to serve as the first half of a four-credit two-course sequence on financial performance analysis and security analysis, FINA 6323 serving as the advanced second half of the sequence.

Objectives

1. To build financial models to analyze, summarize and explain a firm's historical performance
2. To translate the historical analysis into a financial model of a firm's plans and strategies
3. To translate the financial plan model into a valuation model with sensitivity capabilities
4. To better use shortcut financial analysis methods by understanding complex financial models
5. To better use multiplier valuation models by understanding fundamental valuation models