

Subject Code	AF5355
Subject Title	Finance and Strategy
Credit Value	3
Level	5
Normal Duration	One Semester
Pre-requisite / Co-requisite/ Exclusion	Completion of six Year-1 compulsory subjects
Role and Purposes	This capstone subject provides a platform for students to integrate financial and business analysis skills and apply them systematically in solving multifaceted case problems. It contributes to the achievement of the MoF Outcomes by enabling students to <u>formulate financial strategies and policies</u> (Outcome 3). The analysis of the case studies also allows students <u>to envision possible outcomes on financial and strategic recommendations, and to evaluate the performance in a relevant and effective way</u> (Outcome 3).
Subject Learning Outcomes	Upon successful completion of this course, students should be able to: <ul style="list-style-type: none"> a. Explain the importance of how financial strategy impact business strategy formulation and implementation. b. Apply appropriate finance theories and concepts and business analysis techniques in analyzing complex case problems; c. Identify the financial implications on various corporate strategies; and d. Integrate finance and business theories and apply them to solve problems faced by management.
Subject Synopsis/ Indicative Syllabus	<p>Financial Strategy in Context Linkage between corporate and financial strategy; corporate governance and financial strategy</p> <p>Financial Strategy and Corporate Growth Financial strategy for startups, growth, mature and decline phases of corporate life-cycle, Capital market cycles and corporate growth.</p> <p>Value-Based Management Tools for value-based management; project evaluation using value-based management tools; implementation issues.</p> <p>Financial Implications on Strategy Capital allocation and corporate strategy; capital structure and corporate strategy; Implications of financial market bubbles and crises on corporate strategy.</p>

Teaching/Learning Methodology	Key concepts and issues will be introduced through lectures. Case discussions will be conducted extensively throughout this course to enable students to stimulate critical thinking and to integrate the concepts which they have learned in prior subjects and apply them to solve case problems.																																												
Assessment Methods in Alignment with Intended Learning Outcomes	<table border="1" data-bbox="440 348 1451 863"> <thead> <tr> <th data-bbox="440 348 761 548" rowspan="2">Specific assessment methods/tasks</th> <th data-bbox="761 348 919 548" rowspan="2">% weighting</th> <th colspan="6" data-bbox="919 348 1451 478">Intended subject learning outcomes to be assessed (Please tick as appropriate)</th> </tr> <tr> <th data-bbox="919 478 1008 548">a</th> <th data-bbox="1008 478 1097 548">b</th> <th data-bbox="1097 478 1187 548">c</th> <th data-bbox="1187 478 1276 548">d</th> <th data-bbox="1276 478 1365 548"></th> <th data-bbox="1365 478 1451 548"></th> </tr> </thead> <tbody> <tr> <td data-bbox="440 548 761 716">Analyses of case studies (discussion, presentation, and written reports)</td> <td data-bbox="761 548 919 716">85%</td> <td data-bbox="919 548 1008 716">✓</td> <td data-bbox="1008 548 1097 716">✓</td> <td data-bbox="1097 548 1187 716">✓</td> <td data-bbox="1187 548 1276 716">✓</td> <td data-bbox="1276 548 1365 716"></td> <td data-bbox="1365 548 1451 716"></td> </tr> <tr> <td data-bbox="440 716 761 789">Class participation</td> <td data-bbox="761 716 919 789">15%</td> <td data-bbox="919 716 1008 789">✓</td> <td data-bbox="1008 716 1097 789">✓</td> <td data-bbox="1097 716 1187 789">✓</td> <td data-bbox="1187 716 1276 789">✓</td> <td data-bbox="1276 716 1365 789"></td> <td data-bbox="1365 716 1451 789"></td> </tr> <tr> <td data-bbox="440 789 761 863">Total</td> <td data-bbox="761 789 919 863">100 %</td> <td colspan="6" data-bbox="919 789 1451 863"></td> </tr> </tbody> </table> <p data-bbox="440 915 1451 978">Explanation of the appropriateness of the assessment methods in assessing the intended learning outcomes:</p> <p data-bbox="440 999 1451 1199">Individual participation on case discussions requires students to demonstrate their ability to formulate finance theories and business knowledge (Outcome 3), to think critically and creatively, and to envision possible outcomes on financial and strategic recommendations, and to evaluate the performance in a relevant and effective way (Outcome 4). Individual written case assignment and group case write-up and presentation further reinforce these learning objectives.</p> <p data-bbox="440 1220 1451 1346">Note: To pass this subject, students are required to obtain Grade D or above. In addition, the specific requirements on individual assessment components discussed above could be adjusted based on the pedagogical needs of subject lecturers.</p>							Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)						a	b	c	d			Analyses of case studies (discussion, presentation, and written reports)	85%	✓	✓	✓	✓			Class participation	15%	✓	✓	✓	✓			Total	100 %						
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Student Study Effort Expected	Class contact:																																												
	▪ Lectures / Seminars						39 Hrs.																																						
	Other student study effort:																																												
	▪ Individual case reading and analysis						68 Hrs.																																						
	▪ Group discussion						10 Hrs.																																						
	Total student study effort						117 Hrs.																																						
Reading List and References	<u>Textbook</u> Bruner, Eades and Schill, <i>Case Studies in Finance: Managing for Corporate Value Creation</i> , 8 th edition, McGraw Hill.																																												

References

Ross, Westerfield, Jaffe, Lim, Tan and Wong, *Corporate Finance*, Asia global edition, McGraw Hill.

Brealey, Myers and Allen, *Principles of Corporate Finance*, 12th edition, McGraw Hill.

Topical articles from the recent financial press.