

The Peter F. Drucker and Masatoshi Ito
Graduate School of Management
Claremont Graduate University

MGT 373 – Financial Policy and Strategy Fall 2009

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Class Times: Wednesdays, 7:00 PM – 9:50 PM

Classroom: Burkle TBA

Office Hours: Wednesdays, 6:00 PM – 7:00 PM

Teaching Assistant: TBA

Faculty Support: Nancy Kramer – 909-607-9042 – nancy.kramer@cgu.edu

Textbook (Recommended)

Corporate Finance with S&P card, 8th Edition

Stephen A. Ross, Randolph W Westerfield, and Jeffrey Jaffe

ISBN: 9780073337180

Pub. Date: November 2006 by McGraw-Hill

Course Prerequisite:

MGT 335 Corporate Finance

Course Objectives:

The goal of this course is to familiarize you with the tools and techniques used in making financial and strategic business decisions. The course will build on the corporate finance principles studied in MGT 335 with an emphasis on financial and corporate strategy. We will investigate the key financial choices of a corporation and their impact on the overall strategy of the firm, including financial analysis, capital structure choice, payout policy, value creation, mergers and acquisitions, and restructuring. The course will comprise of lectures and case analysis.

Evaluation and Policies:

Your final grade will be determined as follows:

Attendance	10 % (More than 3 unexcused absences result in a course grade of C-)
Group case write-ups	30%
Peer Evaluation	20%
Midterm	20% - Wednesday, October 21 st
Final	20% - Wednesday, December 9 th

This course will be heavily based on case studies. Each of you will be assigned to groups to work on the cases. The groups will submit a write-up for each case and be ready to present their analysis to the class when called upon. Each group member is expected to contribute to all case assignments. The group members will evaluate each other's contribution at the end of the semester. We will also have a midterm and a final exam in this course. If you miss the midterm exam due to an officially documented reason that is approved by the University, the midterm will be added to the final, making the final exam's weight 40%. In all other cases where you miss the midterm exam without a documented and approved excuse, you will receive a zero. All exams will be graded carefully and fairly. However, in the event that you think there is an error in grading, you will have one week to dispute your grade. After that, all grades become final. Any dispute needs to be in writing. There will be no exceptions to any of the rules governing the exams.

I expect to have about 40% of the class to be in the A range (A+, A, A-) and about 45% to place in the B range (B+, B, B-). Finally, a word about academic honesty. I strongly believe that all of you are honest students. The worst thing you can do is to disappoint me in this regard. While I do not expect to see any such

September 2nd:	Lecture: Financial Analysis and Corporate Finance Review
September 9th:	Case: Case of the Unidentified Industries (HBS 9-296-049, 1996)
September 16th:	Case: Wilson Lumber Co. (HBS 9-286-122, 1991) Lecture: Capital structure
September 23rd:	Lecture: Capital Structure
September 30th:	Case: Massey-Ferguson, 1980 (HBS 9-282-043, 1990) Lecture: Payout Policy
October 7th:	Case: Intel Corporation, 1992 (HBS 9-292-106, 1993) Lecture: WACC and APV
October 14th:	Case: British Satellite Broadcasting versus Sky Television (HBS 9-794-031, 1994) Review for Midterm
October 21st:	Midterm Exam Lecture: Free Cash Flow
October 28th:	Case: American Chemical Corporation (HBS 9-280-102, 1995)
November 4th:	Case 1: Matching Dell (HBS 9-799-158, 1999) Case 2: Matching Dell (B): 1998-2003 (HBS 9-704-476, 2004)
November 11th:	Lecture: Mergers, Acquisitions, and Corporate Governance
November 18th:	Case: Cooper Industries, Inc. (HBS 9-274-116, 1993)
November 25th	NO CLASS – THANKSGIVING BREAK
December 2nd	Case: Bankruptcy and Restructuring at Marvel Entertainment Group (HBS 9-298-059, 1998) Review for Final
December 9th:	Final Exam