

University Master Degree in Hotel Management

Academic Year: 2018-2019

Teaching guide

Area: Financial Management

Subject: International Financial Management I

Period: Semester 1

Lecturers:

Dr. Hubert Augusto Joo Kitano

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MODULE: INTERNATIONAL HOTEL MANAGEMENT

AREA: FINANCIAL MANAGEMENT

SUBJECT: INTERNATIONAL FINANCIAL MANAGEMENT I

CODE: MHMIFMI

LANGUAGE: ENGLISH

YEAR: 1

PERIOD: SEMESTER 1

CREDITS: 5 ECTS

1. Subject objectives

International Finance Management is a course on Corporate Finance. This course is divided into two semester subjects. The study of Corporate Finance is focused mainly on the hotel industry, and at every topic the particularities of the hotel sector will be under consideration.

The first semester is designed to bring the students the set of tools a finance director need to evaluate the financial situation and to take the decisions according to the strategic plan of the company. The first part is the study of financial reporting and mainly financial assessment analysis. The aim is to provide the students with the tools needed to understand information from the balance sheet, the income statement and the cash-flow statement in order to be able to judge the financial structure, the profitability and the strengths and weakness from a financial point of view.

The second part of this first semester includes a review on the main financial markets: stock markets and bond markets, and the tools used in these assets valuation. The subject has been designed from a very practical point of view. Every session will include some first lecturing and after it students must to solve concrete situations mainly related to real hotel companies.

Practical part is a key component in this subject. The final objective is to provide students with the analytical skills and the ability to understand financial information from companies and from financial markets.

2. Competencies developed

Basic

B06 - knowledge and understanding that provide a basis or opportunity for originality in developing and / or applying ideas, often in a research context

B07 - students can apply their knowledge and their ability to solve problems in new or unfamiliar environments within broader (or multidisciplinary) contexts related to their field of study

B08 - students are able to integrate knowledge and handle complexity and formulate judgments based on information that is incomplete or limited, include reflecting on social and ethical responsibilities linked to the application of their knowledge and judgments

B09 - students can communicate their conclusions and the underlying supporting knowledge and rationale to specialists and non-specialists in a clear and unambiguous way.

B10 - students must possess the learning skills that enable them to continue studying in a way that will be largely self-directed or autonomous

General

G01 - be able to search and manage information from sources in order to make decisions that contribute to achieving the objectives of the organization

Transversales

T03 - use English as the language of the hotel industry in developing a career in an international environment

Specific

E03 - Manage and plan the economic-financial resources affecting the hotel industry, as well as making investment decisions

E07 - evaluate the operational areas of the different types of accommodation and catering for a full analysis of the production process in terms of excellence and quality of service

E08 - Detect technical planning needs of infrastructure and hotel facilities to plan their maintenance, renovation and improvement

E10 - Identifying and using information technology and communications (ICT) in the various fields of hotel management companies, both internally and externally

3. Content

Session 1: Introduction to corporate finance. The financial statements: balance sheet, income statement and cash-flow sheet. . Related material: The slides related to this topic and published on the moodle. Read chapter 1 (introduction to corporate finance). Mandatory reading for next session Chapter 28 (financial analysis) of the book Principles of Corporate Finance (Brealey, Myers & Allen, Global Edition 11th)

Session 2: Financial Analysis and its interpretation.. Related material: The slides related to this topic and published on the moodle. Chapter 28 (financial analysis). Mandatory reading for next session Chapter 29 (financial planning).

Session 3: Financial Planning. Related material: The slides related to this topic and published on the moodle. Chapter 29 (financial planning). Mandatory reading for next session Chapter 30 (working capital

management).

Session 4: Working capital management. Related material: The slides related to this topic and published on the moodle. Chapter 30 (working capital management). Mandatory reading for next session Chapter 2 (how to calculate present values).

Session 5: How to calculate present values. Related material: The slides related to this topic and published on the moodle. Chapter 2 (how to calculate present values). Mandatory reading for next session Chapter 5 (net present value and other investment criteria).

Session 6: Net present value and other investment criteria. Related material: The slides related to this topic and published on the moodle. Chapter 5 (net present value and other investment criteria). Mandatory reading for the next session Chapter 6 (making investment decisions with the net present value rule)

Session 7: Making investment decisions with the net present value rule.. Related material: The slides related to this topic and published on the moodle. Chapter 6 (making investment decisions with the net present value rule).

Session 8: Final group presentations to be uploaded on moodle and teh report to be hand at the start of the last session of classes for the first semester. . Related material: Students presentations.

Session 9: Course content review.. Related material: The slides related to the course and published on the moodle. Chapter 1, 2, 5, 6, 28, 29 and 30.

4. Teaching methodology

Practical Exercises.

Student Presentations (individual or group).

Plenary Lectures. Most of the sessions the first 40% of time will be used to to a plenary session, the 60% of the time the students will work in exercises, projects or cases studies related to what have been previously discussed in the lecture.

Theoretical evaluation . The final exam will have some questions designed to evaluate the theoretical knowledge of the students (around 25%-30% of the final exam).

Practical evaluation. 60%-70% of the final exam will be exercises, cases and comments on real situations to evaluate if the student is able to apply the financial tools studied previously in class.

5. Assessment activities

Regular examination call

• **A mix of theoretical and practical questions to evaluate the level of knowledge and competence in using the financial tools studied at the course. Maybe one part of the exam needs the use of a computer (Excel).**

Final exam (Individual - 60%)

Evaluated competences: B06, B07, B08,B09, T03, E03, E07

- **Students will handle at the beginning of each session a file in Moodle that will consist on review exercises or tasks related to the previous session.**

Academic Work (Individual - 40%)

Evaluated competences: B06, B07, B08, B09, B10, E03, E07, E08, E10, G01, T03

Resit examination call

- **A mix of theoretical and practical questions to evaluate the level of knowledge and competence in using the financial tools studied at the course. Maybe one part of the exam needs the use of a computer (Excel).**

Final exam (Individual - 60%)

Evaluated competences: B06, B07, B08,B09, T03, E03, E07

- **Students have to handle a set of exercises before the extraordinary call exam.**

Academic Work (Individual - 40%)

Evaluated competences: B06, B07, B08, B09, B10, E03, E07, E08, E10, G01, T03

Repeating students without attendance: regular examination call

- **Set of practical exercises covering all the syllabus.**

Academic Work (Individual - 40%)

Evaluated competences: B06, B07, B08, B09, B10, E03, E07, E08, E10, G01, T03

- **A mix of theoretical and practical questions to evaluate the level of knowledge and competence in using the financial tools studied at the course. Maybe one part of the exam needs the use of a computer (Excel).**

Final exam (Individual - 60%)

Evaluated competences: B06, B07, B08,B09, T03, E03, E07

Repeating students without attendance: resit examination call

- **Set of practical exercises covering all the syllabus.**

Academic Work (Individual - 40%)

Evaluated competences: B06, B07, B08, B09, B10, E03, E07, E08, E10, G01, T03

- **A mix of theoretical and practical questions to evaluate the level of knowledge and competence in using the financial tools studied at the course. Maybe one part of the exam needs the use of a computer (Excel).**

Final exam (Individual - 60%)

Evaluated competences: B06, B07, B08,B09, T03, E03, E07

Follow-up meetings

Week 3 (Oct, 11/2018), 14:00

Week 7 (Nov, 08/2018), 14:00

Week 12 (Dec, 13/2018), 14:00

6. Bibliography

Mandatory readings

Richard A. Brealey, Stewart C. Myers, Franklin Allen (2014). Principles of corporate finance. McGraw-Hill Education. Global Edition 11E. See chapters/pages 7

Recommended readings

Stephen A. Ross, Randolph W. Westerfield, Jeffrey Jaffe (2005). Corporate finance. McGraw-Hill Education. 7th ed. See chapters/pages 7

The Wall Street Journal. <https://www.wsj.com/europe>

Financial Times. <https://www.ft.com/>

7. Lecturer/s

Dr. Hubert Augusto Joo Kitano (Head lecturer) - hubert.joo@htsi.url.edu

Contact hour: Contact hour: upon common agreement with the student.