

Master of Science Financial Management

Developed and awarded by University of Birmingham, UK

MODULE OUTLINES

CORPORATE FINANCIAL MANAGEMENT (20 credits)

This module aims to give students critical knowledge and understanding of finance theories and the key issues in corporate financial management.

By the end of the module students should be able to:

- Appraise project investment proposals and critically evaluate the effects of investment decisions of firms on their market values under certainty and uncertainty.
- Employ different techniques of valuation of stocks, bonds and options.
- Assess the potential impacts of financing and dividend decisions of firms on their costs of capital and market values. The students should also have critical knowledge and understanding of the capital structure and dividend policy literatures.
- Critically apply a range of asset and option pricing models and know their strengths and limitations;
- Assess efficiency of financial markets; and demonstrate critical knowledge and understanding of the key issues in the mergers and acquisitions, behavioural finance and digital finance.

FINANCIAL MODELLING TECHNIQUES (20 credits)

This module teaches students a wide range of techniques for summarising data, analysing data, estimating models and testing hypotheses.

By the end of the module students should be able to:

- determine the appropriate approach(s) to summarise a set of data and apply the statistical method(s).
- Select the appropriate probability model(s) to use to estimate the likelihood of occurrence of some events that a finance manager is interested in and apply the model(s).
- Identify the appropriate parametric and non-parametric technique(s) to use to test a hypothesis, construct suitable financial models, apply the technique(s) and interpret results obtained correctly.
- demonstrate critical awareness of the strengths and limitations of any technique that they use.
- Interpret correctly the results obtained using the selected techniques.

FINANCIAL STATEMENT ANALYSIS AND BUSINESS VALUATION (20 credits)

This module introduces fundamental analysis that is an economic framework for business analysis and security valuation based on accounting information. The main focus is on integrating key concepts of economics, accounting and finance in order to effectively evaluate the information content of financial reports, derive forecasts and apply valuation techniques for the purpose of implementing investment strategies and consulting.

By the end of the module students should be able to:

- appraise the accounting framework, the conceptual basis of financial reporting and non-financial disclosure, and financial statements, how the reported values may be affected by accounting policy choice and international differences in accounting practices;
- analyse companies fundamentals to identify the firms' profit drivers, their key risks and sources of finance, using financial metrics (ratios and flows) from published accounts;
- apply different valuation and forecasting techniques to business and compare the foundation of relative valuation models, such as accruals-based and cash- flow-based models, P/E, book to market ratios, etc.; and
- critically evaluate companies' capital structures and credit risks.

ETHICS, GOVERNANCE AND REGULATION IN TREASURY (20 credits)

This module investigates the role of Treasury policy, procedures and performance measures in treasury management. It also explores treasury reporting and operations for a variety of organisations, as well as analyses the framework and content of treasury policy documents.

By the end of the module students should be able to:

- critically explain ethics and corporate governance theories and their application;
- critically explain the principles, importance and detailed application of treasury policy, procedures and reporting in order to support their development and implementation in practice;
- apply corporate governance and regulatory controls and policies to manage treasury in an efficient and ethical manner;
- Assess the fundamental principles of financial reporting and taxation relating to treasury in order to support the preparation and analysis of financial reports, tax analysis and financial and business analysis; and
- critically assess and recommend appropriate IT solutions for different treasury requirements and describe the project management steps required for their successful implementation and security controls.

RISK ANALYSIS AND MANAGEMENT (20 credits)

It will explore the nature of business risks and investigate the broad range of approaches that organisations can use to manage various types of business risks. The module will also consider the processes that are often used in industry to identify the key risks for which the treasury department is responsible, as well as how the risks are measured, reported and managed, in order to add value to an organisation.

By the end of the module students should be able to:

- explain the fundamental importance to an organisation of identifying and measuring the risks that it faces and the benefits of establishing a robust process for managing the risks;
- assess the role and responsibilities of the treasury in managing the key risks which an organisation faces in order to protect it against potential losses;
- critically apply a wide range of techniques to measure, report and manage treasury risks to protect an organisation against losses and support the organisation, and its stakeholders, with relevant risk related information;
- critically assess the strengths and weaknesses of a wide range of techniques that can be used to manage business risks.

INTERNATIONAL TREASURY MANAGEMENT (20 credits)

The aims of the module are to equip students with the knowledge and skills for managing cash, liquidity and treasury departments in local and multinational organisations and to also give them critical knowledge of the structure and operations of financial markets and institutions worldwide.

By the end of the module students should be able to:

- Critically determine how a treasury department should be organised locally and/or internationally in order to achieve its key performance indicators efficiently
- Assess alternative funding solutions that a firm can use locally and/or internationally including the use of foreign exchange and international financial markets, financial technologies, crowd funding and cryptocurrency markets
- Critically evaluate various strategies that can be used to manage relationships with banks, other creditors, and shareholders globally, as well as strategies for equity and debt issuance and documentation procedures and records
- Critically review the types of treasury technology that can be used to carry out treasury activities effectively; and
- Select the most appropriate management solutions, including payments systems, in order to optimise cash position, net interest expense or income, while maintaining the organisation's operational flexibility and its reputation locally and internationally.

DISSERTATION (60 credits)

The Dissertation is students' opportunity to specialise in researching a particular area of Financial Management. The topic will be of students' choice and students are recommended to link their topic to possible opportunities that may relate to the next steps of their future career.

First Stage

This stage focuses on research design and research methods in Finance, guiding students to pursue academic readings, conduct literature reviews, develop research ideas, highlight related ethical issues and understand broad suits of methodologies available for data analysis. There shall be practical guidance on data collection via available data sources and data analysis using Stata statistical software.

Students are required to submit and present a thorough Research Proposal (1,000 words) for University's evaluation and approval prior to the Second Stage.

Second Stage

Students shall work with their assigned dissertation supervisor through scheduled meetings to develop their approved Research Proposal into a 15,000 to 20,000 words dissertation for final submission and assessment. During these meetings, students will receive feedback on how to improve their work and as well as to orally present their work.

By the end of the module students should be able to:

- Assess and critically review the literature relevant to theoretical and applied research across a range of core finance-related subjects such as corporate finance, investment, asset pricing, innovation, sustainability, entrepreneurship, banking and financial markets.
- Design a convincing motivation for a programme of research on their topic of interest, leading to the development of a research idea with clear testable hypothesis.
- Apply competence and skills in using a range of financial databases, such as Bloomberg and DataStream as well as for collecting primary data, when necessary, leading to the development of a research idea with a clear testable hypothesis.
- Critically apply knowledge of a broad suits of methodologies available for data analysis.
- Effectively communicate research findings through their dissertation.