



Class: RGC 5306 – Finance

Class Time: Asynchronous (2W1 – RGC)

Instructor: Dr Sellamuthu Prabakaran

Office: Amy Street Building.

Office 111. Eagle Pass, TX 78852.

Credits: 3

Location: Online Asynchronous

E-mail: Prabakaran.sellauthu@sulross.edu

Office Hours: Monday – 9.00 AM – 1.00 PM

Phone: 830 415 8440

Required Materials:

Textbook:

We are going to use an ebook and the **Connect** platform from McGraw-Hill.

1. Ross, Westerfield, and Jaffe (2025). Corporate Finance, 13th Edition. McGraw Hill.

Students must Connect access through the link in Blackboard (click on Connect Registration).

Course Description: **Financial Management** provides a comprehensive introduction to the principles, practices, and analytical tools used in managing an organization's financial resources. This course emphasizes the foundational concepts of financial decision-making, including time value of money, valuation of financial assets, risk and return, capital budgeting, capital structure, cost of capital, working capital management, and financial planning. Students will learn how firms create value through efficient investment, financing, and dividend decisions.

Through a blend of conceptual learning and computational applications, the course equips students with the skills needed to interpret financial statements, analyze investment opportunities, assess financing alternatives, and understand the financial implications of strategic decisions. By the end of the course, students will be able to apply quantitative techniques to real-world business problems and make informed financial decisions that enhance organizational performance. (MBA Core Course).

Course Learning Outcomes – Financial Management (5 CLOs)

By the end of this course, students will be able to:

1. **Explain** the fundamental principles of financial management, including the roles of financial managers, financial markets, and ethical considerations in corporate finance.
2. **Apply** time value of money concepts and financial analytical tools to evaluate cash flows and value financial assets.
3. **Analyze** financial statements and assess a firm's financial performance using key ratios and financial metrics.
4. **Evaluate** investment, financing, and dividend decisions using capital budgeting methods, risk–return analysis, and cost of capital estimation.

5. **Develop** financial strategies—including working capital management and financial planning—using spreadsheet-based modeling to support effective managerial decision-making.

MBA Learning Outcomes – Financial Management Focus

Upon successful completion of the MBA, students will:

1. Demonstrate the ability to collect, evaluate, and analyze financial and business data to make informed, evidence-based managerial and investment decisions.
2. Exhibit financial leadership skills by developing innovative and value-enhancing solutions to complex financial and organizational problems that address the needs of multiple stakeholders.
3. Design financially sustainable business models and strategies that promote long-term competitive advantage and resilience in a dynamic global economy.
4. Recognize major digital and financial technology (FinTech) trends impacting business operations and adapt financial strategies to leverage these developments for competitive advantage.

MBA Marketable Skills: Upon successful completion of the MBA students will have the following markable skills:

1. The ability to use software to analyze and report data.
2. The ability to work with others to solve problems.
3. The ability to communicate effectively.
4. The ability to use the latest digital technology.

Academic Integrity: Students in this class are expected to demonstrate scholarly behavior and academic honesty in the use of intellectual property. A scholar is expected to be punctual, prepared, and focused; meaningful and pertinent participation is appreciated. Examples of academic dishonesty include but are not limited to: Turning in work as original that was used in whole or part for another course and/or professor; turning in another person's work as one's own; copying from professional works or internet sites without citation; collaborating on a course assignment, examination, or quiz when collaboration is forbidden. Students should also avoid using open AI sources ***unless permission is expressly given*** for an assignment or course. Violations of academic integrity can result in failing assignments, failing a class, and/or more serious university consequences. These behaviors also erode the value of college degrees and higher education overall.

Classroom Climate of Respect: This class will foster free expression, critical investigation, and the open discussion of ideas. This means that all of us must help create and sustain an atmosphere of tolerance, civility, and respect for the viewpoints of others. Similarly, we must all learn how to probe, oppose and disagree without resorting to tactics of intimidation, harassment, or personal attack. No one is entitled to harass, belittle, or discriminate against other students.

Counseling: Sul Ross has partnered with TimelyCare where all SR students will have access to nine free counseling sessions. You can learn more about this 24/7/356 support by visiting Timelycare/SRSU. The SR Counseling and Accessibility Services office will continue to offer in-

person counseling in Ferguson Hall room 112 (Alpine campus), and telehealth Zoom sessions for remote students and SRSU International students.

Libraries: The Bryan Wildenthal Memorial Library in Alpine offers FREE resources and services to the entire SRSU community. Access and borrow books, articles, and more by visiting the library's website, library.sulross.edu/. Off-campus access requires logging in with your Lobold and password. Librarians are a tremendous resource for your coursework and can be reached in person, by email (srsulibrary@sulross.edu), or by phone (432-837-8123). No matter where you are based, public libraries and many academic and special libraries welcome the general public into their spaces for study. SRSU TexShare Cardholders can access additional services and resources at various libraries across Texas. Learn more about the TexShare program by visiting library.sulross.edu/find-and-borrow/texshare/ or ask a librarian by emailing srsulibrary@sulross.edu. Mike Fernandez, SRSU Librarian, is based in Eagle Pass (Building D-129) to offer specialized library services to students, faculty, and staff. Utilize free services such as InterLibrary Loan (ILL) and ScanIt to get materials delivered to you at home or via email.

Americans with Disabilities Act (ADA): Sul Ross State University (SRSU) is committed to equal access in compliance with Americans with Disabilities Act of 1973. It is SRSU policy to provide reasonable accommodations to students with documented disabilities. It is the student's responsibility to initiate a request each semester for each class. Students seeking accessibility/accommodations services must contact Mary Schwartze, LPC-S, SRSU's Accessibility Services Coordinator at 432-837-8203 (please leave a message and we'll get back to you as soon as we can during working hours), or email mary.schwartze@sulross.edu. Our office is located on the first floor of Ferguson Hall (Suite 112), and our mailing address is P.O. Box C-122, Sul Ross State University, Alpine, Texas, 79832.

Official Communication: All official communication by the University or me will be sent to your Sul Ross email account. As a result, you are required to activate your email account and check it from time to time for personal communication. I encourage you to email me if you have questions or comments, BUT PLEASE include your full name and the course for which you have questions. Even if you submit your email through the Blackboard site, I cannot tell which course you are in nor what your real name is (i.e., egar123) unless you put it in the body of your email.

Technical Support: The Support Desk is where you can direct your more technical questions. For example, the Support Desk can help you if you are having issues submitting a document, getting videos to play, or using BlackBoard. The support desk is open 24 hours a day/7 days a week for your convenience. You can reach the support desk by calling 888.837.8888 or by email blackboardsupport@sulross.edu. You may also reach the Support desk from the Technology Support tab within Blackboard by clicking the Support Desk graphic on the course homepage or calling 936.294.2780.

SRSU Distance Education Statement: Students enrolled in distance education courses have equal access to the university's academic support services, such as library resources, online databases, and instructional technology support. For more information about accessing these

resources, visit the SRSU website. Students should correspond using Sul Ross email accounts and submit online assignments through Blackboard, which requires secure login. Students enrolled in distance education courses at Sul Ross are expected to adhere to all policies pertaining to academic honesty and appropriate student conduct, as described in the student handbook. Students in web-based courses must maintain appropriate equipment and software, according to the needs and requirements of the course, as outlined on the SRSU website. Directions for filing student complaints are located in the student handbook.

Assignments

Late Work: There will be a 10% penalty for assignments submitted late.

Course Requirements and Grading

Requirement	Points Possible	Grading Scale
Weekly Discussion Posts – Due Weekly	350 points	A = 900 to 1000 points
Assignment 1 – Due 29 th March 2026.	150 points	B = 800 to 899 points
Assignment 2 – Due 12 th April 2026.	150 points	C = 700 to 799 points
Assignment 3 – Due 26 th April 2026.	150 points	D = 600 to 699 points
Final Essay Exam – Due 6 th May, 2026.	200 points	F = less than 599 points
Possible Points	1000 points	

Course Assignments

Weekly Discussion Board:

1. I as a faculty member will post a weekly discussion board that will be available at 12:01 AM on Tuesday and have a due date of the following Monday at 11:59 PM.
2. Students will be required to respond to the question itself by Friday and reply to two other students by Sunday night.
3. The question will be designed to facilitate discussion by requiring students to offer their analysis, evaluation or design based on the course's weekly topic. (Blooms Levels 5-6).
4. The instructor will be active in the Discussion Board by responding to at least half of the student posts each week.

Discussion Board Rubric: (50 points)

Rubric 1: The student's main post responded completely and substantially to all of parts of discussion question. (30 points).

Rubric 2: The student's initial post was no later than Friday (5 points)

Rubric 3: The response was well-organized, clear and free of grammatical and mechanical errors. (5 points).

Rubric 4: The student posts substantially to two other students. 5 points each (10 points)

Assignment 1: MBA Assignment – Introduction Financial Management and Financial statements

Question 1 - Discuss the primary goal of financial management and explain how investment, financing, and dividend decisions help an organization create long-term value.

Question 2 - Select any publicly listed company and analyze its financial performance by summarizing its key financial statements (income statement, balance sheet, and cash flow statement) and developing a simple financial model projecting next year's sales, net income, and cash flow based on past financial trends.

Submission Guidelines - Upload your essay as a 5 - 8-pages paper, exclusive of title page and appendices, in MS Word format, 12-point Times New Roman Font, double-space following APA Style Format.

Course Assignment Rubric (Total: 150 Points)

Criteria	Description	Points
Content Quality & Accuracy	Demonstrates clear understanding of financial management concepts; applies theories correctly; uses accurate financial data; shows depth of analysis.	50 points
Critical Thinking & Problem-Solving	Provides insightful evaluation, interpretation, and justification of financial decisions; shows originality in analysis and modeling; integrates reasoning effectively.	40 points
Financial Analysis & Modeling	Uses appropriate financial statements, ratios, projections, or models; analysis is logical, well-executed, and supported with appropriate assumptions.	30 points
Use of Evidence & Referencing	Incorporates credible sources; applies APA format correctly; uses data effectively to support arguments.	15 points
Organization, Grammar, & Mechanics	Writing is clear, well-structured, free from grammar, spelling, and formatting errors; logical flow.	15 points

Assignment 2: MBA Assignment – Capital Budgeting & Investment Analysis

Question 1

Evaluate a proposed investment project using **Discounted Cash Flow (DCF) techniques**, including Net Present Value (NPV), Internal Rate of Return (IRR), and other investment appraisal rules such as Payback Period and Profitability Index. Discuss how variations in discount rates or cash flow assumptions could impact the investment decision and consider the role of strategic and non-financial factors in the final recommendation.

Question 2

Analyze two mutually exclusive capital investment projects under **risk and uncertainty**. Perform a risk-adjusted capital budgeting assessment, incorporating scenario analysis and the potential impact of **real options** (e.g., expand, abandon, or delay). Recommend the optimal project by integrating quantitative results and qualitative considerations, including strategies to manage or mitigate project-specific risks.

Submission Guidelines - Upload your essay as a 5 - 8 page paper, exclusive of title page and appendices, in MS Word format, 12 point Times New Roman Font, double-space following APA Style Format.

Course Assignment Rubric (Total: 150 Points)

Criteria	Description	Points
Content Quality & Accuracy	Demonstrates thorough understanding of financial management and investment concepts; applies correct calculations; shows depth of analysis and clear reasoning.	50 points
Critical Thinking & Problem-Solving	Provides insightful evaluation and interpretation of investment decisions; integrates quantitative and qualitative analysis effectively; demonstrates originality.	40 points
Financial	Uses appropriate DCF, NPV, IRR, or scenario analysis; financial models are	30 points

Analysis & Modeling	logical, accurate, and supported with reasonable assumptions.	
Use of Evidence & Referencing	Incorporates credible sources; applies APA format correctly; uses financial data to support arguments effectively.	15 points
Organization, Grammar, & Mechanics	Writing is clear, structured, free of grammar, spelling, and formatting errors; logical flow of ideas.	15 points

Assignment 3: MBA Assignment – Investments, Risk, and Valuation

Question 1

Evaluate the value of a bond and a stock using realistic assumptions or given data. Discuss how changes in market interest rates, coupon rates, or dividend growth rates affect valuations, and analyze which valuation method is more appropriate under volatile market conditions.

Question 2

Assess a firm's expected return, risk, and cost of capital using portfolio analysis, CAPM, and WACC. Evaluate how risk adjustments, market volatility, and company-specific factors impact project valuation and investment decisions, and recommend strategies for managing financial risk.

Course Assignment Rubric (Total: 150 Points)

Criteria	Description	Points
Content Quality & Accuracy	Demonstrates clear understanding of financial concepts (bond and stock valuation, CAPM, cost of capital, etc.); applies correct calculations; shows depth of analysis and reasoning.	50 points
Critical Thinking & Problem-Solving	Provides insightful evaluation and interpretation of financial decisions; integrates quantitative and qualitative analysis effectively; demonstrates originality.	40 points
Financial Analysis & Modeling	Uses appropriate valuation techniques, portfolio analysis, CAPM, or WACC; models are logical, accurate, and supported with reasonable assumptions.	30 points
Use of Evidence & Referencing	Incorporates credible sources; applies APA format correctly; uses financial data to support arguments effectively.	15 points
Organization, Grammar, & Mechanics	Writing is clear, structured, free of grammar, spelling, and formatting errors; logical flow of ideas.	15 points

Final Essay Exam: A final essay exam consisting of four essay questions covering the material covered in the course. It will be available to students for at least one week before the end of class.

Final Essay Exam Rubric:

Comprehensive Course Final Rubric (Total: 200 Points)

- **Content Quality & Accuracy:** 70 points
- **Critical Thinking & Problem-Solving:** 50 points
- **Financial Analysis & Modeling:** 50 points
- **Use of Evidence & Referencing:** 20 points
- **Organization, Grammar, & Mechanics:** 10 points

Schedule for FINR5306 – Spring 2026 - 8 Week

Week	Topic	Readings
Week 1 - March 16th 2026	<p>CONCEPT - GETTING STARTED - Read the syllabus and get familiar with both Blackboard and Connect platforms.</p> <p>Objectives - Begin the course by introducing myself, reading the syllabus, and becoming familiar with both Blackboard and Connect platforms.</p> <p>CHAPTER 1 – INTRODUCTION TO FINANCIAL MANAGEMENT - Introduction to Corporate Finance - Role of the Financial Manager and Goal of Financial Management, Forms of Business Organization, The Agency Problem and Control of the Corporation, Financial Markets and The Corporation.</p> <p>OBJECTIVES - To provide a foundational understanding of corporate finance principles, focusing on how businesses make investment, financing, and dividend decisions to maximize firm value while managing risk and return.</p>	Chapter Reading - No chapter reading or homework is assigned, as this is only an introduction class.
Week 2 - March 23rd 2026	<p>CHAPTER 2 - FINANCIAL STATEMENTS, TAXES, AND CASH FLOW - The Balance Sheet, The Income Statement, Cash Flow Statement and Taxes.</p> <p>OBJECTIVES - To understand the structure and interpretation of financial statements, the impact of taxes, and the calculation of cash flows for informed financial decision-making.</p> <p>CHAPTER 3 - FINANCIAL STATEMENTS ANALYSIS AND FINANCIAL MODELS - Cash Flow and Financial Statements: A Closer Look, Standardized Financial Statements, Ratio Analysis and The Du Pont Identity.</p> <p>OBJECTIVES - To develop skills in analyzing, interpreting, and using financial statements for evaluating a firm's performance and financial health.</p>	Textbook Chapters 1 – Introduction to Corporate Finance
Week 3 - March 30th 2026	<p>CHAPTER 4 – DISCOUNTED CASH FLOW VALUATION - DCF valuation estimates a company's value by discounting its projected future cash flows and terminal value using a risk-adjusted rate (WACC) to get enterprise and equity value. It's sensitive to assumptions, so scenario analysis is important.</p> <p>OBJECTIVES - The session aims to explain DCF valuation, covering cash flow forecasting, terminal value, discounting with WACC, calculating enterprise and equity value, and assessing assumptions through sensitivity analysis.</p> <p>CHAPTER 5- NET PRESENT VALUE AND OTHER INVESTMENT RULES - NPV and Other Investment Rules: NPV accepts projects with positive value, Payback and Discounted Payback measure time to recover investment, IRR accepts if return exceeds cost of capital, MIRR refines IRR with realistic reinvestment, and PI accepts if ratio is greater than one.</p> <p>OBJECTIVES - To understand NPV and other investment rules, compare their strengths and limitations, and apply them in making sound investment decisions.</p>	Textbook Chapters 4 – Discounted Cash Flow Valuation
Week 4 - April 6th 2026	<p>CHAPTER 6: MAKING CAPITAL INVESTMENT DECISIONS- Making Capital Investment Decisions means evaluating projects by focusing on relevant cash flows, opportunity costs, side effects, and working capital needs, while using tools like NPV, IRR, Payback, and Profitability Index to decide value creation.</p> <p>OBJECTIVES - To learn how to evaluate capital investment projects, identify relevant cash flows, and apply decision tools like NPV, IRR, Payback, and Profitability Index for effective decision-making.</p> <p>CHAPTER 7: RISK ANALYSIS, REAL OPTIONS, AND CAPITAL</p>	Textbook Chapters 6 – Making Capital Investment Decisions
Assignment 1 – Due 29th March 2026.		

	<p>BUDGETING - Risk Analysis, Real Options, and Capital Budgeting involve assessing project uncertainty, incorporating flexibility through real options, and using risk-adjusted methods to make better investment decisions.</p> <p>OBJECTIVES - Risk Analysis, Real Options, and Capital Budgeting focus on assessing project uncertainty, leveraging managerial flexibility, and using risk-adjusted methods for better investment decisions.</p>	Risk Analysis, Real Options, And Capital Budgeting
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Assignment 2 – Due 12th April 2026.

Week 5 - April 13th 2026	<p>CHAPTER 8 - INTEREST RATES AND BOND VALUATION - Bonds and Bond Valuation, More on Bond Features, Bond Ratings and Some Different Types of Bonds, Bond Markets, Inflation and Interest Rates and Determinants of Bond Yields.</p> <p>OBJECTIVES - To understand the determinants of interest rates and apply bond valuation techniques for pricing and investment decisions.</p> <p>CHAPTER 9 - STOCK VALUATION - Common Stock Valuation, Some Features of Common and Preferred Stocks and The Stock Markets.</p> <p>OBJECTIVES - To learn the methods of valuing stocks and assessing their role in investment and corporate finance decisions.</p>	Textbook Chapters 8 – Interest Rates And Bond Valuation
Week 6 - April 20th 2026	<p>CHAPTER 10 - RETURN, RISK, AND THE CAPITAL ASSET PRICING MODEL - Return, Risk, and CAPM explain how expected returns relate to investment risk, with CAPM linking return to market risk (beta) and illustrating the risk-return trade-off while highlighting diversification benefits.</p> <p>OBJECTIVES - Return, Risk, and CAPM explain how expected returns relate to systematic and unsystematic risk, with CAPM using beta to link market risk to return, highlighting the risk-return trade-off and benefits of diversification.</p> <p>CHAPTER 11- RISK, COST OF CAPITAL, AND VALUATION - Risk, Cost of Capital, and Valuation link cash flow uncertainty to value, using the cost of capital (debt and equity) to discount expected returns, guiding investment decisions through risk-adjusted valuation.</p> <p>OBJECTIVES - To understand the impact of risk on cash flows, learn how to calculate the cost of capital, and apply it in valuing projects and firms for informed investment decisions</p>	Textbook Chapters 11 - Return, Risk, And the Capital Asset Pricing Model

Assignment 3 – Due 26th April 2026.

Week 7 - April 27th 2026	<p>CHAPTER 12: CAPITAL STRUCTURE: BASIC CONCEPTS - Capital Structure: Basic Concepts refer to the mix of debt and equity a firm uses to finance its operations. Debt provides tax benefits but increases financial risk, while equity represents ownership capital. Firms aim for an optimal capital structure that balances risk and return, guided by theories like the trade-off between tax benefits and bankruptcy costs, and the pecking order preference for internal financing first.</p> <p>OBJECTIVES – To understand the components of capital structure, the role of debt and equity, and theories guiding financing for value maximization.</p>	Textbook Chapters 16- Capital Structure: Basic Concepts
	<p>CHAPTER 13 – OPTIONS MARKET - Options Market is a financial market where participants buy and sell options contracts, which give the holder the right, but not the obligation, to buy (call option) or sell (put option) an underlying asset at a predetermined price within a specified period. Options are widely used for hedging, speculation, and income generation, allowing investors to manage risk or leverage positions. Pricing of options is influenced by factors such as the underlying asset price, strike price, time to expiration, volatility, interest rates, and dividends, often analyzed using models like Black-Scholes.</p> <p>OBJECTIVES - Students will understand the concept and types of options, including calls and puts, learn how options are used for hedging, speculation, and income generation, explore the factors that affect option pricing and value, and</p>	Textbook Chapters 22 - Options and Corporate Finance

	apply fundamental option concepts in financial decision-making and risk management.	
Week 8 - May 6th 2026	Final Essay Exam – Due 6th May 2026.	

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