

Teaching guide

IDENTIFICATION DETAILS

Degree:	Business Analytics
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Field of Knowledge:	Social and Legal Science
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Faculty/School:	Law, Business and Governance
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Course:	BUSINESS ORGANIZATION AND MANAGEMENT I: THE ROLE OF BUSINESS ANALYST
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Type:	Basic Training
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ECTS credits:	6
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Year:	1
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Code:	5311
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Teaching period:	First semester
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Area:	Company
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Module:	Basic training
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Teaching type:	Classroom-based
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Language:	English
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Total number of student study hours:	150
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Teaching staff	E-mail
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SUBJECT DESCRIPTION

The subject of Organization and Business Administration I: the Role of Business Analyst is divided into three parts: 1) introduction to business organization, 2) introduction to finance, and 3) the role of business analyst. After studying all the functional areas of organization, the subject focuses on the economic-financial areas of the company, as well as financial aspects that affect the management of personal finances. Finally, it is studied the roles and responsibilities of a business analyst.

Regarding the financial part, it is divided into three parts too:

The first part focuses on the analysis and interpretation of the balance and the income statement of a company and in view of these, know how to analyze the situation in which the company is and to make a diagnosis of it. To do this, each of the items in the financial statements is analyzed, making them see what they represent and their balanced relationship with the rest. Students are made to understand the most important and significant ratios and to read them together in order to gain a complete idea of the company's situation.

In the second part focuses on students understand that a euro today is not equivalent to a euro within a few years and they know how to establish the equivalence of different amounts of money at different times in time. This allows them to address the problem of different financial operations as loans, capitalizations, valuation of shares and financial evaluation of real investments. This part is also very useful for the management of personal finances. They are prepared in this way to understand the essentials of the financial subjects they will find throughout the degree.

In the third part, the student will understand the concepts of fixed and variable cost to be able to apply them in making decisions in the company. You will see how the benefits of the company depend on its cost structure, ie the ratio between fixed and variable costs, making them reflect on the situations in which it may have advantages or disadvantages having a structure more or less biased towards costs fixed or variable.

GOAL

The goal of the subject is for students to attain sufficient capacity, knowledge, and skills to participate in the daily financial management of the company.

After finishing the course, the student might be able to make valuable financial decisions to assist managers in decision-making. An increasingly complex environment makes this absolutely necessary, so managers can not lose sight of the company's financial requirements.

Consequently, it is necessary to have financial expertise that, combined with management skills, helps the decision-making that best maximizes company value.

PRIOR KNOWLEDGE

No prior knowledge is required. This course is designed for Bachelor students without previous knowledge of finance.

COURSE SYLLABUS

UNIT 1. THE ROLE OF THE BUSINESS ANALYST

1. What is an analyst? What is Business Analytics?
2. Roles and responsibilities of a business analyst.
3. Skills of a business analyst.

UNIT 2. INTRODUCTION TO FINANCE

First Part: Analysis of Financial Statements.

1. Investing vs. Financing

2. Balance Sheet

a) Definitions and basic equations.

b) Assets: non-current and current assets.

c) Equity.

d) Non-current and current liabilities.

e) Internal vs. External Financing. Introduction to financial markets. Money, bonds, and stock markets. Primary and secondary markets.

f) Need of funds and Working Capital.

3. Profit and loss statement

a) Definitions. Accounting Principles.

b) Types of profits. Operating and financial results and its relation with the balance sheet.

c) EBITDA vs. EBIT,

d) Amortization and depreciation. Impairments.

4. Statement of cash-flows

a) Definitions.

b) Sections: Operating, financing, and investing.

5. Analysis of financial statements

a) The basics of a financial analysis report.

b) Analysis of profitability: Margin ratios and return ratios.

c) Efficiency analysis: Ratios.

d) Analysis of liquidity and solvency: Ratios.

e) The Cash conversion cycle. The relation between the need of funds, efficiency, and liquidity.

f) DuPont analysis

Second Part: Capital budgeting.

1. Introduction

a) Time value of money.

b) Present and future value of money.

c) Present value of an investment opportunity: Discount rate. The opportunity cost of capital.

d) Risk and present value.

2. Capital budgeting. Methods to accept/reject investments.

a) Net Present Value.

b) Payback method.

c) Internal Rate of Return.

3. Introduction to the valuation of companies.

a) Discounted cash flow method: The free cash flows. Gross operating cash flow, investment in capital expenditure, and investment in working capital. Perpetuity cash flow.

b) Present value of free cash flows. The weighted average cost of capital. Cost of equity. Cost of debt.

c) Enterprise value and equity value.

d) Multiples for comparable companies. Venture method of valuation for start-ups.

Third Part: Costs and exploitation decisions.

a) Fixed and variable costs.

b) Contribution margin.

c) Breakeven point. The importance of leverage.

d) Decisions of exploitation with idle capacity.

e) Decisions of exploitation at full capacity.

EDUCATION ACTIVITIES

Our teaching methodology seeks the development of the qualities that will form the model of the person we want to transfer to society. To do this, we will make available the necessary resources for the acquisition of the learning outcomes by the graduate. Those will be applicable for both their autonomous work and as a team.

The activities are divided into presential and non-presential and are detailed below:

PRESENTIAL ACTIVITIES

All classes will be participatory and will have a practical component. Students will have at their disposal, via PDF file or video, the subject to be prepared (flipped classroom). After reviewing the subject of the study, a discussion will be encouraged between them.

Excel will be routine, and the students will master the use of different tools adapted to the subject. It is advisable to bring the computer to class.

Videos about financial aspects of interest and up-to-date referring to class expositions will be complementary.

Additionally, mini-cases will be raised to be prepared by the students at home and discussed in groups later in class.

Expository Classes: Presentation of the topics, focusing on the students' basic concepts for understanding. The student will previously participate in preparing some subject matters with the support of the material found on the CANVAS virtual platform (flipped classroom and jigsaw technique).

Resolution of exercises and teamwork: Students cooperate with each other to solve different cases related to the

subject (cooperative learning). After completion of the work, it will be corrected and analyzed by the same students in the class.

Personalized tutoring and group tutoring: It consists of individual and group attention to the student to review and discuss the topics presented in class and clarify any doubts that have arisen. The student is also oriented concerning all the elements that make up the learning process.

Intermediate tests of evaluation and final exam: The student will take intermediate evaluation tests and the final exam, both in Canvas, which will count towards the final assessment.

NON-PRESENTIAL ACTIVITIES

Theoretical and practical study

Teamwork

Virtual space designed by the teacher in the Canvas platform: The student will have the opportunity to work with other classmates, participate in forums organized by the teacher, and hold virtual tutorials.

DISTRIBUTION OF WORK TIME

CLASSROOM-BASED ACTIVITY	INDEPENDENT STUDY/OUT-OF-CLASSROOM ACTIVITY
60 hours	90 hours

SKILLS

Basic Skills

Students must have demonstrated knowledge and understanding in an area of study that is founded on general secondary education. Moreover, the area of study is typically at a level that includes certain aspects implying knowledge at the forefront of its field of study, albeit supported by advanced textbooks

Students must be able to apply their knowledge to their work or vocation in a professional manner and possess skills that can typically be demonstrated by coming up with and sustaining arguments and solving problems within their field of study

Students must have the ability to gather and interpret relevant data (usually within their field of study) in order to make judgments that include reflections on pertinent social, scientific or ethical issues

Students must be able to convey information, ideas, problems and solutions to both an expert and non-expert audience

Students must have developed the learning skills needed to undertake further study with a high degree of independence

General Skills

Capacity for organising, systematization and planning in identifying problems, levers and models in the context of big data.

Capacity for leadership and teamwork in the information society.

Capacity for communicating in a native or foreign language in the information society.

Capacity for autonomous learning in the information society.

Specific skills

Know and understand the basic principles of business analytics and its essential concepts and tools, geared towards identifying and assessing opportunities in all the functional areas of the business: general and strategic management, human resources, finance, marketing, production and operations.

Know and understand the fundamentals of the administration and management of businesses: organisation, planning, management oversight and the study of the functional areas of the business.

LEARNING RESULTS

Correctly delimits the relationships between the different functional areas of the company in an appropriate context.

Develops rigorous thinking about the problems that arise in the economic and financial areas of the firm.

Covers comfortably and accurately a wide range of vocabulary used by financial experts in companies.

Identifies and issues reasoned judgments on ethical problems that may arise in the day job of the financial manager of companies.

Fluently uses the correct techniques, both in personnel and business finance, in terms of investing and financing.

LEARNING APPRAISAL SYSTEM

The evaluation system will be different for students in first registration and those with an alternative evaluation system.

A) EVALUATION SYSTEM FOR FIRST-TIME ENROLLMENT STUDENTS:

The continuous evaluation considers the following: active and intelligent participation in class, discussion of cases, resolution of practical tasks, intermediate tests, teamwork, and final exam. Although attendance is not mandatory, it is highly recommended. Throughout the term, there will be class activities that will count towards the final evaluation of the course. The evaluation will be from 0 to 10 points, which the student will accumulate throughout the course. For a student to pass the subject, the cumulative grade in the different evaluation criteria must be at least 5 points. In both ordinary and extraordinary calls, a minimum score of 5 out of 10 in the final exam is mandatory to pass the course. The continuous assessment applies to both the ordinary and the extraordinary call.

- ACTIVE AND INTELLIGENT PARTICIPATION IN THE DISCUSSION AND PREPARATION OF CASES IN CLASS: 10%
- RESOLUTION OF EXERCISES, CASES, AND TASKS (presented in the time and form set by the teacher): 20%
- MID-TERM EXAMS: 20%
- FINAL EXAM (to apply continuous assessment requires a minimum of 5 out of 10 in the final exam) 50%

B) ALTERNATIVE CONTINUOUS EVALUATION SYSTEM:

This system only applies to those students who are: repeating the course, have an official dispensation signed by the dean of the faculty, or are in an international exchange program. During the first ten days of the term, the student is responsible for contacting the teacher to be informed about course requirements, deadlines, and exam dates.

- RESOLUTION OF EXERCISES: 30%
- FINAL EXAM (to average with the exercises, and requires a minimum of 5 out of 10 points in the final exam): 70%.

C) STUDENTS OF SECOND AND SUCCESSIVE ENROLLMENT:

In this case, students can choose between the two previous systems after communicating with the teacher in the first two weeks of class. No dispensation is required. The mention 'With honors' recognizes the high academic performance of a student in all the parameters evaluated. It may be awarded a 9 out of 10.

IMPORTANT NOTE: All tests subject to evaluation will be contingent on what the evaluation regulation of the Francisco de Vitoria University establishes. Plagiarism behaviors, as well as the use of illegitimate means in the evaluation tests, will be sanctioned in accordance with the provisions of the Evaluation Regulations and the University's Coexistence Regulations.

BIBLIOGRAPHY AND OTHER RESOURCES

Basic

Richard A. Brealey, Stewart C. Myers, Franklin Allen. Principles of corporate finance / 13th ed. New York :McGraw-Hill,2020.

Pamela Peterson Drake, Frank J. Fabozzi,. The basics of finance: an introduction to financial markets, business finance, and portfolio management / New Jersey :John Wiley & Sons,2010.

Copeland, T., Koller, T and Murrin, J. Valuation: Measuring and managing the value of companies Deusto 2004