

**Antalya Bilim University**  
**Department of Economics, Econ 3104**  
**Financial Management**  
**Spring 2024-2025**

Class time& Place: Monday/ 09:00-11:50

Office hours: Monday 14:00-16:00

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Welcome to the course. This course aims to teach the basic principles of financial management. Students will have knowledge about the financial decision-making processes of businesses, time value of money, financial analysis, investment and financing decisions. Objectives and Key Goals of the Course:

- ✓ Teaching Financial Concepts and Principles: Understanding fundamental concepts of financial management, including risk, return, time value of money, and financial ratios. Gaining practical knowledge by comprehending financial decision-making processes.
- ✓ Enhancing Financial Decision-Making Processes: Investment decisions: Capital budgeting, project evaluation methods (NPV, IRR, etc.). Financing decisions: Understanding the balance between debt and equity financing. Gaining knowledge of profit distribution and dividend policies.
- ✓ Conducting Risk and Return Analysis: Identifying and managing financial risks (foreign exchange risk, interest rate risk, market risk, etc.). Learning portfolio management and diversification strategies.
- ✓ Developing Strategies to Maximize Firm Value. Understanding that the primary goal of financial management is to maximize firm value. Optimizing capital structure to reduce costs and enhance profitability.
- ✓ Understanding Financial Instruments and Markets: Learning about banking, capital markets, stocks, bonds, and other financial instruments. Analyzing the impact of financial markets on businesses.
- ✓ Gaining Competence in Financial Planning and Control: Developing expertise in cash flow management, budgeting, and financial statement analysis. Interpreting financial reports to make strategic decisions.

### **Learning Outcomes of the Course:**

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

- ✓ Comprehend the fundamental principles of financial management and its role in business operations.
- ✓ Apply financial analysis techniques to assess corporate performance.
- ✓ Utilize the concept of the time value of money to make informed investment decisions.
- ✓ Determine the cost of capital and capital structure, selecting appropriate financing sources for businesses.
- ✓ Develop investment strategies for both current and fixed assets.
- ✓ Manage financial planning and control processes effectively.

### **Course book:**

- Financial Management Theory and Practice, Eugene F. Brigham, Michael C. Ehrhardt
- Ross, Westerfield, Jordan. Fundamentals of Corporate Finance, McGraw-Hill.
- Brealey, Myers, Allen. Principles of Corporate Finance, McGraw-Hill.

### **Academic Honesty and Plagiarism:**

Plagiarism is using the words or ideas of others and presenting them as your own. Plagiarism is a type of intellectual theft. It can take many forms, from deliberate cheating to accidentally copying from a source without acknowledgement. Although plagiarism is well established in Turkish educational system, you will be punished heavily if you are caught do it.

### **Assessment Criteria:**

- 1) **Midterm (40%):** Students are responsible for all class material covered until the midterm exam.
- 2) **Final exam (60%):** This exam is cumulative and will focus on all units and topics studied throughout the course, but emphasis will be after midterm.
- 3) **Attendance must be at least 70%**

**Course Schedule:**

<b>Week 1</b>	Introduction: Definition of Financial Management, Core Functions, and Responsibilities of a Financial Manager
<b>Week 2</b>	Time Value of Money
<b>Week 3</b>	Financial Analysis
<b>Week 4</b>	Financial Planning and Control - I
<b>Week 5</b>	Financial Planning and Control - II
<b>Week 6</b>	Short-Term Financing Sources
<b>Week 7</b>	Medium- and Long-Term Financing Sources
<b>Week 8</b>	<b>Midterm Exam</b>
<b>Week 9</b>	Cost of Capital: Cost of Debt, Cost of Equity, Weighted Average Cost of Capital (WACC)
<b>Week 10</b>	Capital Structure: Approaches to Optimal Capital Structure
<b>Week 11</b>	Dividend Policy
<b>Week 12</b>	Investment in Current Assets: Cash and Cash Equivalents
<b>Week 13</b>	Investment in Current Assets: Accounts Receivable and Inventory Management
<b>Week 14</b>	Investment in Fixed Assets
<b>Week 15</b>	<b>Review</b>