

Valid from 2025.FS

Module description: Introduction to Finance		
Module Code	w.BA.XX.1IFin-IM.XX	
ECTS Credits	6	
Language of Instruction/Examination	English	
Module Description	This module introduces students to the major concepts and topics of finance. Students will be proficient in the methodologies required to analyze investments, corporate finance strategies, instruments for financing, and dividend policy. Moreover, they will understand key financial theories such as modern portfolio theory and the capital asset pricing model.	
Organizational Unit	Institut für Financial Management (IFI)	
Module Coordinator	Niccole Jordan	
Deputy Module Coordinator	Mehdi Mostowfi	
Program and Specialization	<ul style="list-style-type: none"> International Management 	
Legal Framework	Academic Regulations BSc dated 29.01.2009, for the degree programs in Business Administration, International Management, Business Information Technology, Business Law, Business Law and Applied Law, first adopted on 12.05.2009	
Module Category	Module Type Compulsory	Program Phase First Year-Studies
Prerequisite Knowledge	Introduction to Accounting	
Contribution to Program Learning Objectives (by the concerned Module)	<ul style="list-style-type: none"> Professional Competence Methodological Competence Social Competence Self-Competence 	
Contribution to Program Learning Objectives	<p>Professional Competence</p> <ul style="list-style-type: none"> Knowing and Understanding Content of Theoretical and Practical Relevance Apply, Analyze, and Synthesize Content of Theoretical and Practical Relevance Evaluate Content of Theoretical and Practical Relevance <p>Methodological Competence</p> <ul style="list-style-type: none"> Problem-Solving & Critical Thinking Scientific Methodology Work Methods, Techniques, and Procedures Information Literacy Creativity & Innovation <p>Social Competence</p> <ul style="list-style-type: none"> Written Communication Oral Communication Teamwork & Conflict Management Intercultural Insight & Ability to Change Perspective <p>Self-Competence</p> <ul style="list-style-type: none"> Self-Management & Self-Reflection Ethical & Social Responsibility Learning & Change 	

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Module Learning Objectives	Students... <ul style="list-style-type: none">• are able to understand the attributes of a corporation and the agency relationships.• are able to calculate and apply investment decision rules.• are able to understand and apply various models of valuing stocks and their returns.• are able to understand and calculate common measures of risk and returns under consideration of the capital asset pricing model.• are able to understand and calculate the cost of capital.• are able to evaluate the capital structure in a perfect market.• are able to describe and understand a corporation's payout policy.• are able to understand factors that affect financial option prices and calculate their payoffs.• are able to describe how companies are able to raise capital, including the IPO process.• are able to define working capital and calculate the cash and operating cycles.• are able to evaluate and calculate financial decision-making under consideration of the law of one price and the time value of money.																															
Module Content	<ul style="list-style-type: none">• Financial decision-making and the law of one price• The time value of money• Investment decision rules• Valuing stocks• Capital markets and the pricing of risk• Optimal portfolio choice and the capital asset pricing model• Estimating the cost of capital• Capital structure in a perfect market• Payout policy• Financial options• Raising equity capital• Working capital management																															
Links to other modules	This module is linked to the following modules: <ul style="list-style-type: none">• w.BA.XX.1IBP-IM.XX• w.BA.XX.1ACC-IM.XX																															
Digital Learning Resources	<ul style="list-style-type: none">• Reader• Teaching Materials• Practice and Application Exercises (with Key)• Case Studies (with Key)• Multiple Choice Tests• MyLab																															
Methods of Instruction	<ul style="list-style-type: none">• Lecture• Case Studies• Exercises• Application Tasks• Problem-Oriented Teaching		Social Settings Used: <ul style="list-style-type: none">• Individual Work• Pair Work																													
Type of Instruction	<table><tr><th></th><th>Classroom Instruction</th><th>Guided Self-Study</th><th>Autonomous Self-Study</th></tr><tr><td>Large Class</td><td>56 h</td><td>56 h</td><td></td></tr><tr><td>Small Class</td><td>-</td><td>-</td><td></td></tr><tr><td>Group Instruction</td><td>-</td><td>-</td><td></td></tr><tr><td>Practical Work</td><td>-</td><td>-</td><td></td></tr><tr><td>Seminar</td><td>-</td><td>-</td><td></td></tr><tr><td>Total</td><td>56 h</td><td>56 h</td><td>68 h</td></tr></table>					Classroom Instruction	Guided Self-Study	Autonomous Self-Study	Large Class	56 h	56 h		Small Class	-	-		Group Instruction	-	-		Practical Work	-	-		Seminar	-	-		Total	56 h	56 h	68 h
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Performance Assessment	End-of-module exam		Form	Length (min.)	Weighting
	Written exam		open book	90	85.00
	Permitted Resources		Free choice calculator	With dictionary	
	Others	Assessment	Format	Length (min.)	Weighting
	Others	Grade	Einzelarbeit	15	15.00
Classroom Attendance Requirement	None -				
Compulsory Reading	<ul style="list-style-type: none">• Berk, J. & DeMarzo, P. (2023). Corporate Finance. 6th edition. Pearson. ISBN 9781292446318.• MyLab Finance				
Recommended Reading					
Comments	MyLab Finance is an e-learning tool used together with the required book by Berk & DeMerzo, to which you will need to have access.				