

**ASSUMPTION UNIVERSITY
MARTIN DE TOURS SCHOOL OF MANAGEMENT AND ECONOMICS
DEPARTMENT OF FINANCE AND BANKING
COURSE OUTLINE (SEMESTER 2/2011)**

Course Title: FIN 4816 Corporate Strategy and Financial Policy

Class Time: Tuesday, section 401 8:30 – 12:00 SM418
Tuesday, section 402 13:45 – 17:15 MSM0705

Prerequisite: Senior status (121 credits)

Instructor A. Thanarat Watcharapisud

******* This subject is for both New and Old Curriculum students. *******

MSM&E's Vision and Mission

Vision:

To be the leading international business school in the ASEAN region providing high quality business education to enable graduates to make invaluable contributions to organizations and society.

Mission:

To shape our students into independent-minded graduates who are well-versed in business, able to communicate effectively, tech savvy, innovative, and ethical to successfully face global challenges.

Description:

This course emphasizes on the management, the issuance and the distribution policy of equity and debt as well as the choice of optimal capital structure. The course provides a theoretical framework used in analyzing corporate and financial strategies while focusing on the current issues in finance such as merger and acquisition, joint ventures and other forms of corporate restructuring as well as their tax implications.

Course Objectives: After completion of this course, students will be able to

1. develop capacity to think strategically about a company, its business position, its long-term direction, its resources and competitive capabilities, and its opportunities for gaining sustainable competitive advantage,
2. explain strategic management process,
3. conduct strategic analysis in competitive position to identify strengths, weaknesses, opportunities, and threats,
4. determine and evaluate strategic options,
5. integrate functional areas of business and demonstrate why the different parts of a business need to be managed in strategic harmony for a company to operate in winning position,
6. compare and contrast the approaches to valuation,
7. integrate corporate strategy and financial policies to determine the strategy leading to value creation,
8. describe the motives of merger & acquisitions and other form of corporate takeovers and development, and
9. apply the valuation techniques to analyze merger & acquisition proposal.

Required readings: Course pack assign by instructor

- References**
- J. Fred Weston, Juan A. Siu, & Brian A. Johnson “Takeovers, Restructuring, & Corporate Governance” 3rd edition, Prentice Hall
 - Arthur A Thompson & A.J.Strickland “Crafting and Executing Strategy” 12th edition, McGraw Hill
 - Aswath Damodaran “ Investment Valuation: Tools and Techniques for Determining the Value of Assets” John Wiley.
 - Collis & Montgomery “Corporate Strategy: A Resource-Based Approach” McGraw Hill
 - Richard Lynch “Corporate Strategy” 2nd Prentice Hall
 - Michael E. Porter “Competitive Advantage: Creating and Sustaining Superior Performance” The Free Press
 - Michael A. Hitt Strategic Management

Topics of Discussion	Period
Overview of strategic management concepts	1
External analysis: Industry and competitive analysis	2-3
Internal analysis: evaluating company resources and competitive capabilities	4-5
Developing a strategic vision and setting objectives	6
Developing strategic options	7
Strategy and competitive advantage	8
Evaluating the strategies of diversified companies	9
Forms of corporate restructuring: Types of M&As and corporate control	10
Theories of mergers and tender offers, and valuation model	11-12
M&A strategies	13
Restructuring and divestiture	14
Financial restructuring	15

- Class Format:**
- Lecture
 - Discussion
 - Case Study

Marks Allocation* (* see also classroom policies and notes)

Midterm exam (January 25, 2012, 15:00 – 17:00)	30%
Final exam (March 31, 2012, 13:00 – 16:00)	50%
Assignment: Case analysis and presentation	<u>20%</u>
Total	100%

Notes: The following rules and policies must be strictly observed:

- Class attendance is required. If you miss out class, you may be not allowed to sit for the exam or receive zero mark on class participation.
- Be punctual (Late coming is equivalent to absence)
- Any forms of class distraction are prohibited.
- All kinds of communication devices must be turned off.
- You cannot leave class without my permission.
- Sleeping and talking while class is in progress are not allowed.
- A student who is caught cheating (of all forms) will be subject to maximum penalty.
- Assignment must be typed and submitted by hand and on the date and time specified only.

Classroom Policies:

- **Students need to comply with AU Dress Code, Time Conflict Examination Regulations, Laws on Smoking Cigarette, and Restrictions on Foods and Drinks V10.1, June 2010.**
- **Attendance policies:**
 - 2 times of ten-minute late for class considered as 1 absence.
 - Make-up classes are not allowed.
 - 80% attendance is strictly required regardless of any reason.
 - No checking attendance for other classmates. Violation of the policies will result in being automatically withdrawn from the class.
 - Attendance is counted since the first day of class regardless of any reason.
- **Manner in class:**
 - Behave in a polite manner
 - Pay respect to instructors and class participants
 - Turn off all communication devices
 - Do not leave and re-enter the classroom
 - Prohibited manners: Eating, drinking, chatting, talking on the phone, text-messaging, sleeping, reading other materials, doing other subjects' assignments/homework, walking in-out, etc.
 - Improper behavior will result in no attendance checked.
- **Dress code:**
 - Follow AU dress code
 - Improper dress code will result in no attendance checked.
- **Class assignments (Homework, reports, project, presentation, paper, etc.):**
 - No Plagiarism.
 - The students copying works from all sources will be penalized – “Zero” marks or “F” grade.
 - Hand in all class assignment on time, both soft copy and hard copy.
 - **Late submission will NOT be graded.**
- **Class participation:**
 - Be participative and attentive in class
 - The students are also required to comply with all classroom policies.
 - Violation of the classroom policies will result in “zero” or “negative” participation marks and/or no attendance checked.
- **Request for make-up quizzes (if applicable):**
 - The students requesting for the make-up quizzes need to submit their names with valid evidence (ABAC related issues only) to the respective lecturer within the specified dates.
 - Late submission will NOT be allowed to take the make-up quizzes.
- **Grade inquiry:**
 - The students can request for a review for their marks or grades.
 - The students need to submit petition to the respective Chairperson at D6 or MSM2 within 2 weeks after their marks or grades have been officially announced. Petition submitted after the specified period will NOT be considered.
 - **Reevaluation process:** The students' class assignments or exam answer scripts will be reevaluated by the internal committees assigned by the respective department. Please note that the students' marks may or may not be adjusted after the reevaluation process and it is considered as a “final consensus” between the students and the committees.

**February 27, 2012 (Mon): Last day to withdraw with “W”
(Withdrawing after this date, the students need a chairperson’s approval.)**