

Financial Issues for Managers
Doane College, 6-10 pm, Tuesday
FALL TERM 2007

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Text: No Text for the course

The financial strength of any business is determined by many factors including national and international economic issues. The manager's job is to understand these issues when making a business decision for the company. Issues to be studied in the course will be understanding the role of the Federal Reserve in determining interest rates and how interest rates affect business decisions. Each week the stock market will be reviewed as this is considered the main strategy for measuring the "pulse of the economy". Businesses today do not operate in a vacuum, many financial issues need to be considered when making business decisions. The course will be a hands on effort for students to use

Each week students will be required to give oral reports on financial topics taken from newspapers, internet or other relevant sources. There will be individual and group projects; some will include power point presentations.

The manager's role many times includes making decisions based upon financial information from the company that employs them. This course will not only look at how to interpret the company's financial data it will also examine financial issues from outside sources. In order to make good managerial decisions, financial data must be considered from many sources; therefore students need to be aware of the many financial issues of the local, national and international economies.

Financial issues to be discussed: inflation, Federal Reserve, interest rates, technology, Dow, NYSE, NASDAQ, consumer confidence, oil, war, weather, political considerations, GDP, EPS, 08 Presidential election, downsizing, ethanol, health care, 401k, outsourcing, gold & commodities, transportation, US dollar vs. other currencies. These and many other financial issues will be discussed.

The class will visit a Lincoln business to hear from the owner what financial issues he considers when making business decisions. Date will be determined at a later date.

Week 1: Introductions and personal goals for taking the course given orally by each student. Students will give a report on their job and work assignment so we can determine baseline data on each company and factors that influence its financial operations.

Week 2: Using the web to follow stocks on the NYSE and NASDAQ. Most of the financial data for any public traded stock can be accessed on the web. Yahoo Financial will be used by the students to report on selected topics. Items to report on will include profile, 52 week high and low, EPS, PE, analyst's ratings, headlines, etc. We will look at sectors that are moving and those that are out of favor. Students will give a financial report each week on a selected stock comparing the gain or loss from week to week. Students will prepare a weekly line chart showing the trend of the selected stock.

Week 3: The emphasis will be to discuss the role of the Federal Reserve and their efforts to control inflation. The Federal Reserve is the key to determining the financial strength of the economy as it can raise or lower rates to speed up or slow down the economy. The increase or decrease interest rates can determine if a company can borrow money. If rates are high many businesses may have to layoff staff as their business slows. Discuss the soft landing as compared to an economic recession.

Week 4: Discuss the topic of ethics in reporting financial information in business settings. Review why businesses act in an unethical manner in reporting financial information. Students will research selected companies that have been found guilty of unethical behavior. It is important that students understand that you must read and hear financial information with an open mind. Group work will include an oral and power point report on this topic.

Week 5: Power point presentation on Ethical behavior assignment. The presentations will be video taped and feedback provided by the students and the instructor. Mid term exam.

Week 6: Review mid-term. Determining health benefits as a financial consideration for most businesses. The impact baby boomers will have retiring workers and legacy requirements for such companies as Ford and GM. Discuss

Social Security benefits for retirees and present workers. Group reports on this topic.

Week 7: Most businesses must consider and understand their competition.

Discussion on strategies to obtain information about competitors. A SWOT analysis approach will be discussed. Students will give SWOT analysis reports on their place of work. Review for final. Lab time for power point presentations.

Week 8: Final exam and Power Point presentations, hand in folders.

Grading

Attendance 20%

Class Participation 20%

Folders 20%

Power Point presentations 20%

Exams 20%