

Financial Issues for Managers, BUS 606
Doane College, Lincoln, 6-10 pm, Thursday
10/22-12/17, 2009

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Text: No Text for the course

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. 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 practical applications.

Financial issues to be discussed: Federal Reserve, interest rates, technology, Dow, NYSE, NSDAQ, consumer confidence, oil, war, political considerations, GDP, EPS, P/E, stimulus package, downsizing, forecasting, inflation/deflation, health care, 401k, outsourcing, gold & commodities, Wills/estates, US dollar vs. other currencies, identity theft, house valuation, Cap and Trade, personal budgeting, global warming, universal health care, and FICO scores. These and many other financial issues will be discussed.

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 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 time.

Upon completion of the course students will:

1. learn how to look up stock information using Yahoo Finance.
2. learn how to find the top 10 holdings in their 401-k mutual funds.
3. learn what information is used to determine their FICO score and strategies to improve their score
4. learn how to analyze and report on balance sheet, cash flow and income statements of publicly traded companies.
5. learn how to report on financial information from newspapers, web, magazines, etc.
6. learn how to prevent identity theft.
7. learn about the financial issues faced by a Lincoln business.
8. learn the need and strategies for devising or updating a Will.
9. learn how the economy affects their jobs, retirement, house assessments, etc.

Activities to achieve Objectives:

1. look up the mutual funds in their 401-k's and determine the top 10 holdings for each fund.
2. report on an individual stock providing information on the company's profile, P/E, 52 week range, EPS, financial reports, 3 month chart, headline news, analyst opinions, etc.
3. will give reports using charts on financial, cash flow or income statements. Forecasting strategies will be discussed.
4. learn the do's and don't's for managers in the work place, sexual harassment, petty cash, romance, drinking with staff, etc.

5. learn the rule of 72 and how many years it takes to double your money.
6. if you can't be responsible for your own finances, how can you spend money for your company? Learn what is reported for determining your FICO score and strategies to improve it.

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 financial issues. E.g. forecasting, financial statements, etc

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 Government and their efforts to stimulate the economy. 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 in 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. FICO scores will be discussed so students can understand how their score affects ability to get loans, insurance etc.

Week 4: Discuss the topic of ethics in reporting financial information in business, financial settings. Review why some act in an unethical manner in reporting financial information. Students will research selected brokers like Bernie Madoff's Ponzi scheme by defrauding investors. It is important that students understand that you must read and hear financial information with an open mind.

Week 5: Visit John Henry's Plumbing Heating & Air to learn first hand what financial issues were/are faced by the company. 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%