



## IDENTIFYING DATA

### Investment decisions

Subject	Investment decisions			
Code	V03G020V01402			
Study programme	(*)Grao en Administración e Dirección de Empresas			
Descriptors	ECTS Credits	Choose	Year	Quadmester
	6	Mandatory	2nd	2nd
Teaching language	Spanish English			
Department				
Coordinator	Rodríguez de Prado, Francisco			
Lecturers	Cibrán Ferraz, María Pilar Docampo Barrueco, José María Martínez Cobas, Francisco Javier Rodríguez de Prado, Francisco			
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Web				
General description	This course aims to provide students with theoretical knowledge and analytical skills to make appropriate financial management tasks. The knowledge acquired serve as the basis for other subjects in Finance			

## Competencies

Code	
B1	Ability to analyse and synthesise
B3	Skills related to the use of those computer applications used in business management
B10	Issue assessment reports on specific situations regarding companies and markets
B11	Design global management projects or projects related to the functional areas within a company
B13	Capacity for learning and independent work
B14	Capacity to apply the theoretical and practical knowledge acquired in a specialised academic context
C3	Acquire and understand knowledge regarding: Internal aspects, functions and processes of organisations including their nature, structure, direction, operation and management
C5	Acquire and understand knowledge regarding: The relationship between the business and its surroundings, evaluating its impact on business strategy, behaviour, management and sustainability
C7	Acquire and understand knowledge regarding: The main instrumental techniques applied to the business context
C10	Assess the situation and foreseeable evolution of a company based on the relevant information records
C11	Make strategic decisions using different types of business models
C12	Solve problems effectively and make decisions using the appropriate quantitative and qualitative methods, including the identification, expression and solution of business problems
C16	Skills in looking for, identifying and interpreting sources of relevant economic information

## Learning outcomes

Expected results from this subject	Training and Learning Results	
(*)Know the main tasks about financial management of companies	B1	C3 C5
(*)Know the financial goal and the relationship with the activity of the company	B1 B14	C3 C5 C16

Identify and estimate the appropriate financial structure according to the operating cycle and activity of the company	B1 B3 B10 B11 B14	C3 C5 C7 C10 C11 C12 C16
(*)Know the concept of investment and the relationship with the financial goal	B1 B14	C3 C5 C16
(*)Know and estimate variables on an investment and apply the main analytical techniques to estimate return on investments	B1 B3 B10 B11 B13 B14	C7 C10 C11 C12 C16
(*)Interpretation of the results obtained applying return on investments methods	B1 B10 B11 B13 B14	C7 C11 C12 C16
(*) Using computer applications in the resolution of practical exercises in business financial management	B1 B3 B10 B11 B13 B14	C12 C16
(*)Know and value the influence of risk in the profitability of investments	B1 B3 B10 B14	C7 C11 C12

## Contents

Topic	
Financial management fundamentals	- The financial function of the company: historical evolution. The financial goal. Tasks in financial management. - The financial and economic structure of the company: The financial flows in the company. The balance sheet. Turnover and working capital. CAsh conversion cycle. Ratios analysis. - Effects of the time value of the money: the inflation and the interest rate. Future value of the money. Present value of the money
Concept and classification of investments	Investment concept. Classification of investments in the company. Implications of investments for the company.
Data for an investment	Variables for estimating the profitability of investments. Estimated Cashflow
Return on Investments valuation methods	Investment evaluation. The discount rate or cost of capital. Net present value (NPV). Internal rate of return (IRR). Cash flow estimation.
Return on investments interpretation	Choosing among several investments. IRR interpretation: reinvestment rate and inconsistency. Risk in investment decisions

## Planning

	Class hours	Hours outside the classroom	Total hours
Practices through ICT	13	20	33
Problem solving	7	10	17
Autonomous problem solving	0	10	10
Lecturing	30	58	88
Essay questions exam	2	0	2

\*The information in the planning table is for guidance only and does not take into account the heterogeneity of the students.

## Methodologies

	Description
Practices through ICT	Explanation and practical use of computer and software tools applied to Financial exercises
Problem solving	Exercises will be solved in the classroom and students questions will be answered by the professor

Autonomous problem solving	Homework made by students in order to improve skills and abilities and prepare evaluation exams
Lecturing	Main concepts explanation by the professor using tools like slides, reference books, web contents and computer

### Personalized assistance

Methodologies	Description
Practices through ICT	Resolution of problems with computer support
Problem solving	Solution of doubts in the resolution of practical exercises

### Assessment

	Description	Qualification	Training and Learning Results	
Essay questions exam	Continuous evaluation through midterm exams with resolution of written exam, on the acquisition of competitions of the matter. Students can choose between continuous evaluation through midterm exams (100% final mark), or as an alternative way, global evaluation of all the subject in the final and end of degree exams in official dates (100% final mark).	100	B1 B3 B10 B11 B13 B14	C3 C5 C7 C10 C11 C12 C16

### Other comments on the Evaluation

Official exams dates can be checked in the Faculty webpage <http://fccee.uvigo.es>

Differences among systems of evaluation in the different Faculties in the University of Vigo (Faculty of Ourense and IESIDE), are justified by the necessary adaptation to the characteristics in each Faculty, taking into account students profile and number of students.

### Sources of information

#### Basic Bibliography

Pindado García, J., **Finanzas empresariales**, PAraninfo, 2012

FAITIC, **Material teórico y práctico**,

Brigham, E.F. and Erhardt, M., **Financial management: theory and practice**, South western Thompson learning, 2002

#### Complementary Bibliography

Irene Pisón Fernández, **Dirección y gestión financiera de la empresa**, Pirámide, 2001

Blanco Ramos, F. y Ferrando Bolado, M., **Dirección Financiera I. Selección de inversiones.**, Pirámide., 2008

Cibrán Ferraz, P. y Villanueva Villar, M., **Gestión financiera : teoría y casos prácticos**, Tórculo., 2005.

Fernández Alvarez, A.I., **Introducción a las finanzas.**, Civitas, 1994

Hayat, S. y San Millán, A., **Finanzas en excel.**, McGraw Hill, 2006

López López, V.; Illanes Sánchez, J.C., **Casos de Economía de la Empresa: modelos y soluciones con excel**, Netbiblo, 2002

Mascareñas Pérez Iñigo, J., **Finanzas para directivos**, Pearson, 2010

Suárez Suárez, A.S., **Decisiones óptimas de inversión y financiación**, Pirámide, 2014

Valladolid González, E.; Azofra Palenzuela, V., **Prácticas de Dirección Financiera**, Pirámide, 2002

Valls Martínez, M<sup>a</sup> del Carmen, **Introducción a las Finanzas**, Pirámide, 2014

### Recommendations

#### Subjects that continue the syllabus

Accounting analysis/V03G020V01601

Financing decisions/V03G020V01501

Asset valuation/V03G020V01604

Financial planning/V03G020V01702

#### Subjects that are recommended to be taken simultaneously

Financial accounting 2/V03G020V01401

#### Subjects that it is recommended to have taken before

Business: Mathematics of financial transactions/V03G020V01202

Business: Financial Accounting I/V03G020V01301

### Other comments

## **Contingency plan**

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### **Description**

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=== EXCEPTIONAL PLANNING ===

Given the uncertain and unpredictable evolution of the health alert caused by COVID-19, the University of Vigo establishes an extraordinary planning that will be activated when the administrations and the institution itself determine it, considering safety, health and responsibility criteria both in distance and blended learning. These already planned measures guarantee, at the required time, the development of teaching in a more agile and effective way, as it is known in advance (or well in advance) by the students and teachers through the standardized tool.

=== ADAPTATION OF THE METHODOLOGIES ===

\* Teaching methodologies maintained

The same teaching methodologies will continue to be maintained if necessary in a non-face-to-face or partially face-to-face scenario.

\* Teaching methodologies modified

\* Non-attendance mechanisms for student attention (tutoring)

Email, telephone and remote campus office

\* Modifications (if applicable) of the contents

\* Additional bibliography to facilitate self-learning

All the necessary material is incorporated into the faitic platform

\* Other modifications

=== ADAPTATION OF THE TESTS ===

\* Tests already carried out

Test XX: [Previous Weight 00%] [Proposed Weight 00%]

...

\* Pending tests that are maintained

Test XX: [Previous Weight 00%] [Proposed Weight 00%]

...

The same evaluation system is maintained, but if the partial or final tests cannot be performed in person, they will be performed if necessary in a non-face-to-face or partially face-to-face scenario.

\* Tests that are modified

[Previous test] => [New test]

\* New tests

\* Additional Information

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