

**COURSE DATA****Data Subject**

<b>Code</b>	44217
<b>Name</b>	Financial management
<b>Cycle</b>	Master's degree
<b>ECTS Credits</b>	3.0
<b>Academic year</b>	2023 - 2024

**Study (s)**

<b>Degree</b>	<b>Center</b>	<b>Acad. year</b>	<b>Period</b>
2195 - M.U. en Finanzas Corporativas	Faculty of Economics	1	Second term

**Subject-matter**

<b>Degree</b>	<b>Subject-matter</b>	<b>Character</b>
2195 - M.U. en Finanzas Corporativas	6 - Financing	Obligatory

**Coordination**

<b>Name</b>	<b>Department</b>
MARTINEZ LOBATO, MARIA FUENCISLA	172 - Business Finance

**SUMMARY**

Short-term financial management or working capital management is linked to the operating cycle or "cash-market-money" cycle, the duration of which is the company's Average Maturity Period, i.e. the time it takes on average to recover the investment made in the goods consumed in the productive activity. This management, also known as operational finance, is largely the responsibility of operational managers and is fundamental to any company. The analysis and proper management of working capital is of the utmost importance to avoid financial problems and to guarantee the future viability of the company.

In this subject we will deal with: the scope of operational finance; the financial management of inventories; the problems related to customer accounts from the perspective of financial analysis and risk management; the financial costs of commercial credit and the management of bad debts; and, finally, the management of the financial resources necessary to finance the company's short-term investments. This content is complemented by cash management, which is covered in the subject "Cash Management and Relations with Financial Institutions" (44218).



## PREVIOUS KNOWLEDGE

### Relationship to other subjects of the same degree

There are no specified enrollment restrictions with other subjects of the curriculum.

### Other requirements

## OUTCOMES

### 2195 - M.U. en Finanzas Corporativas

- Integrar en el área financiera de la empresa las nuevas tecnologías en su labor profesional.
- Analizar de forma crítica tanto su trabajo como responsable de las finanzas empresariales, como el de sus compañeros.
- Trabajar en equipo con eficacia y eficiencia tanto en el área financiera como en las otras áreas funcionales de la empresa.
- Precisar y rentabilizar la política de pagos a proveedores y saber formular y resolver los modelos de gestión de inventarios.

## LEARNING OUTCOMES

- Identify and differentiate the basic objectives of operational finance from structural finance.
- Recognise the main financial aspects involved in inventory management.
- Apply models in the resolution of inventory management.
- Describe the roles and responsibilities of the customer credit department
- Detect commercial risk and evaluate a company's credit policy.
- Apply customer classification criteria in collection management.
- Identify the problems associated with the management of unpaid debts.
- Quantify the integral cost of financing suppliers and other sources of financing short-term investments.

## DESCRIPTION OF CONTENTS

**1. THE OPERATIONAL FINANCES**

This subject studies the scope of Operational Finances as opposed to the Structural Finances of the company, it delves into the concepts of Working Capital and Operating Cash Requirements and the ratios that determine the Financial Analysis and Diagnosis of a company.

**2. FINANCIAL MANAGEMENT OF INVENTORIES**

This topic studies the role of stocks in the production process, their classification, the costs and movements involved in stock management and classical inventory management models.

**3. FINANCIAL MANAGEMENT OF DEBTORS**

From a financial point of view, the resources applied to the receivables account are an investment in operating assets. In this topic we will look at credit policy and collection policy.

**4. THE FINANCIAL COSTS OF TRADE CREDIT AND BAD DEBTS**

In this topic we will look at the financial costs of selling on credit and the costs caused by late payment of invoices.

**5. THE MANAGEMENT OF FINANCIAL RESOURCES**

This theme studies the management and cost of financing, both operational and negotiated, required for the company's short-term investments.

**WORKLOAD**

ACTIVITY	Hours	% To be attended
Theoretical and practical classes	12,00	100
Computer classroom practice	10,00	100
Group work	6,00	100
Tutorials	2,00	100
<b>TOTAL</b>	<b>30,00</b>	

**TEACHING METHODOLOGY**

During the course, the contents of the programme will be worked on simultaneously with the theoretical and practical content.

Theoretical classes will be taught using various teaching methodologies, including: lectures and collaborative and cooperative learning.

The practical classes will consist of the resolution of questions and exercises of an applied nature, with the student having to actively participate in the development of the activity.



In addition to these face-to-face activities, the student will have to carry out other activities aimed at autonomous learning, such as individual study or individual or group work. For the successful completion of these activities, tutoring, carried out either individually or in groups, is a particularly important teaching resource as it allows the teacher to know the level of progress of the group, and the student to receive personalised guidance in their training programme. Consequently, throughout the training period of the subject, the use of this teaching resource is recommended and encouraged.

## EVALUATION

In order to assess the learning of the subject, a diversified assessment system will be used to demonstrate the knowledge and skills acquired by the students.

On the one hand, a synthesis test (written exam) consisting of a battery of multiple-choice questions and practical exercises. The purpose of the multiple-choice questions is to determine the student's general knowledge of the subject, while the practical exercises are intended to assess the student's ability to synthesise the relevant information and apply theoretical knowledge to the resolution of the problems posed. The synthesis test will account for 60% of the final mark for the subject.

On the other hand, the remaining 40% of the mark will correspond to the continuous assessment. This will be made up of the mark obtained by students as a result of carrying out various formative and summative activities determined by the teaching staff throughout the course, such as: controls, submission of assignments and practical exercises, active attendance at a lecture, team work, as well as attendance and active attitude of students in the classroom (this last condition is not compulsory or essential to pass the subject).

The purpose and nature of these continuous assessment tests is to encourage and evaluate the PROGRESSIVE and CONTINUOUS work and learning of the student throughout the course (article 6 point 3 of the Evaluation and Grading Regulations of the University of Valencia for Bachelor's and Master's degrees states: "Continuous assessment is one of the basic criteria of the teaching programme, and must be understood as a tool in the teaching-learning process that informs the student about their progress and assesses it").

Given the finalist nature of these continuous assessment tests, they will not be recoverable at the first sitting. However, in the second call, they will be recoverable through the exam or synthesis test, which may have a maximum score of 10 points.

In any case, it will be an essential requirement to have passed the synthesis test in order for the mark obtained in the continuous assessment to be taken into account. In other words, the final mark will be the sum of the marks obtained in the synthesis test and the continuous assessment, but if the synthesis test has not been passed, the maximum mark that can be obtained will be 4.5 out of 10. If the subject is not passed at the first sitting, the mark for the continuous assessment will be kept for the second sitting.

The grading system will be expressed by means of a numerical grade in accordance with the provisions of art. 5 of R.D. 1125/2003, of 5 September, which establishes the European credit system and the grading system for official university degrees valid in Spain.



## REFERENCES

### Basic

- Brachfield, P.J. (2009): Gestión del crédito y cobro. Bresca.
- Brealey, R., Myers, S. y Allen, F. (2010): Principios de Finanzas Corporativas. McGraw-Hill, Interamericana, Madrid (9ª edición).
- Faus, J. y Tàpies, J. (2006): Finanzas Operativas. Gestión financiera de las operaciones del día a día. IESE, Pamplona.
- García, P., Cardos, M., Albarracín, J.M. y Monreal, J.J. (2005): Gestión de stocks de demanda independiente. Universidad Politécnica de Valencia, Valencia.
- Mascareñas, J. (2010): Finanzas para directivos. Ed. Pearson.
- Santandreu, E. (2001): Manual de gestión del circulante. Gestión 2000.