



## SYLLABUS

### Academic year 2023-2024

#### 1. Information regarding the programme

1.1. Higher education institution	Babeş-Bolyai University
1.2. Faculty	Faculty of Business
1.3. Department	Business
1.4. Field of study	Business Administration
1.5. Study cycle	Undergraduate
1.6. Study programme / Qualification	Business Administration

#### 2. Information regarding the course

2.1. Name of the course		Economic and Financial Analysis						 <b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION  <b>17</b> PARTNERSHIPS FOR THE GOALS
2.2. Code		ILE0026						
2.3. Lecture coordinator		Associate Professor Dr. Larissa-Margareta Bătrâncea						
2.4. Seminar coordinator		Associate Professor Dr. Larissa-Margareta Bătrâncea						
2.5. Year of study	3	2.6. Semester	II	2.7. Type of evaluation	E	2.8. Type of course	Compulsory	

#### 3. Total estimated time (hours/semester of teaching activities)

3.1. Hours per week	4	Of which: 3.2. lecture	2	3.3 seminar/laboratory	2
3.4. Total hours in the curriculum	48	Of which: 3.5. lecture	24	3.6. seminar/laboratory	24
Time allotment:					hours
Learning using course books, course support, references, course notes					30
Additional documentation (in libraries, on electronic platforms, field documentation)					30
Preparation for seminars/labs, homework, papers, portfolios and essays					30
Tutorship					2
Evaluations					2
Other activities:	Preparing the final exam				8
3.7. Total individual study hours					102
3.8. Total hours per semester					150
3.9. Number of ECTS credits					6

#### 4. Prerequisites (if necessary)

4.1. curriculum	The course requires knowledge of basic notions provided by the disciplines Corporate Finance and Financial Accounting studied in year II of the bachelor study cycle.
4.2. competencies	Not applicable.

#### 5. Conditions (if necessary)

5.1. for the lecture	Lecture room with computer and beamer.
5.2. for the seminar/lab activities	Seminar room with computer and beamer.

## 6. Specific competencies acquired

Professional competencies	<p>PC2. Providing assistance for running a company/an organization as a whole</p> <p>PC2.1. Identifying company/organization-related economic concepts and theories</p> <p>PC2.5. Drawing-up an analysis referring to the relationships with economic implications among various company/organization subdivisions</p>
Transversal competencies	<p>TC2. Identifying various opportunities for continuing education and efficiently using learning resources and techniques for their development</p>

## 7. Objectives of the course (outcome of the acquired competencies)

7.1. General objectives of the course	<ul style="list-style-type: none"> <li>• Becoming well-acquainted with the basic concepts of economic and financial analysis;</li> <li>• Emphasizing the phenomena and processes within the economic environment by using general or specific investigation methods;</li> <li>• Developing capabilities of using statistical-mathematical instruments in practicing economic and financial analysis;</li> <li>• Understanding and using non-financial sustainability reports, which include the details regarding the ESG scores;</li> <li>• Identifying the most effective ways of using resources to ensure long-term debt sustainability, reduce the debt distress and risk of default;</li> <li>• Acquiring a scientific language, specific to economic and financial analysis.</li> </ul>
7.2. Specific objectives of the course	<p><b>Part I: Theoretical-methodological bases of economic and financial analysis:</b></p> <ul style="list-style-type: none"> <li>• Learning instruments useful to elaborate models for efficiently analyzing phenomena occurring within the microeconomic environment;</li> <li>• Interpreting influences of factors which act upon economic phenomena and suggesting adequate solutions for increasing economic efficiency;</li> <li>• Determining the role of economic and financial analysis with respect to each decision-maker/user of financial statements.</li> </ul> <p><b>Part II: Analysis of the entity's economic and financial status:</b></p> <ul style="list-style-type: none"> <li>• Developing abilities of "reading" financial statements;</li> <li>• Getting accustomed to the structure of financial statements and the information they provide, in order to achieve a global economic and financial analysis as relevant as possible;</li> <li>• Acquiring the methodology of analyzing financial statements and developing students' capabilities of computing and, chiefly, interpreting indicators typical for the economic and financial analysis.</li> </ul>

## 8. Content

8.1. Lecture	Teaching Method	Remarks
1. Economic and financial analysis – methodological approaches <ul style="list-style-type: none"> <li>• Models of analysis</li> <li>• Decomposing into factors</li> <li>• Order of phenomena evolution</li> <li>• Quantitative and qualitative factors</li> </ul>	interactive discussion, questioning, heuristic conversation	1 lecture



2. Microeconomic analysis system <ul style="list-style-type: none"><li>• Components of the microeconomic analyses system</li><li>• Types of of microeconomic analysis</li><li>• Specificity of microeconomic analysis</li><li>• Stages and content of the analysis process</li></ul>	interactive discussion, questioning, heuristic conversation	1 lecture
3. Methodology of the entity's economic and financial analysis <ul style="list-style-type: none"><li>• Method of isolated determination</li><li>• Substitution method</li><li>• Coefficients distribution method</li><li>• Matrix method</li><li>• Balance method</li></ul>	interactive discussion, questioning, heuristic conversation	1 lecture
4. Methodology of the entity's economic and financial analysis <ul style="list-style-type: none"><li>• Relative substitution method</li><li>• Indices method</li><li>• Index logging method</li><li>• Relative balance method</li><li>• Regression analysis method</li><li>• Production functions method</li></ul>	interactive discussion, questioning, heuristic conversation	1 lecture
5. Analysis of the entity's financial position <ul style="list-style-type: none"><li>• Balance sheet</li><li>• Analysing the evolution of financial position by determining chain-based indices</li></ul>	interactive discussion, questioning, heuristic conversation	1 lecture
6. Analysis of the entity's financial position <ul style="list-style-type: none"><li>• Structure ratios</li><li>• Comparing results with average values corresponding to different industries and with safety intervals</li></ul>	interactive discussion, questioning, heuristic conversation	1 lecture
7. Financial analysis of asset management <ul style="list-style-type: none"><li>• Assets turnover ratios</li><li>• Treasury excess/deficit</li><li>• Dynamic model of inventories turnover ratios</li></ul>	interactive discussion, questioning, heuristic conversation	1 lecture
8. Financial analysis of resource management <ul style="list-style-type: none"><li>• Liabilities turnover ratios</li><li>• Treasury excess/deficit</li><li>• Comparison with assets turnover ratios</li></ul>	interactive discussion, questioning, heuristic conversation	1 lecture
9. Analysis of financial equilibrium <ul style="list-style-type: none"><li>• Liquidity</li><li>• Solvency</li><li>• Working capital</li></ul>	interactive discussion, questioning, heuristic conversation	1 lecture
10. Analysis of financial performance <ul style="list-style-type: none"><li>• Income statement</li><li>• Vertical and horizontal analysis</li><li>• Structure ratios</li><li>• Profitability ratios</li></ul>	interactive discussion, questioning, heuristic conversation	1 lecture
11. Cash flow analysis <ul style="list-style-type: none"><li>• Cash flow statement</li><li>• Direct method of determining cash flows on three types of activities</li></ul>	interactive discussion, questioning,	1 lecture



	<ul style="list-style-type: none"> <li>• Indirect method of determining cash flows on the three types of activities</li> <li>• Interpreting total and activity-based excess/deficit</li> </ul>	heuristic conversation	
12. Bankruptcy risk analysis	<ul style="list-style-type: none"> <li>• Statistical models</li> <li>• Banking models</li> <li>• Safety gaps</li> </ul>	interactive discussion, questioning, heuristic conversation	1 lecture
References	<ol style="list-style-type: none"> <li>1. Bătrâncea L. (2021), <i>Economic and Financial Analysis Coursebook</i>. Cluj-Napoca: Risoprint.</li> <li>2. Bătrâncea I., Bătrâncea L.M., Moscviciov A., Nichita A. (2012). <i>Financial Statements Analysis</i>. Cluj-Napoca: Risoprint.</li> <li>3. Berk, J., &amp; DeMarzo, P. (2019). <i>Corporate Finance, Global Edition</i>, 5th Edition. Harlow: Pearson Education Limited.</li> <li>4. Bernstein, L.A., &amp; Wild, J.J. (2000). <i>Analysis of Financial Statements</i>. New York: McGraw-Hill.</li> <li>5. Damodaran, A. (2022). <i>Applied Corporate Finance</i>, 4th Edition. Hoboken: John Wiley &amp; Sons.</li> <li>6. Ehrhardt, M., Fox, R., &amp; Brigham, E. (2019). <i>Financial Management EMEA: Theory and Practice</i>, 2nd Edition. Boston: Cengage Learning.</li> <li>7. Elliot, A., &amp; Elliot, J. (2002). <i>Financial Accounting &amp; Reporting</i>. Harlow: Pearson Education Limited.</li> <li>8. Friedlob, G.T., &amp; Schleifer, L.L.F. (2003). <i>Essentials of Financial Analysis</i>. Hoboken: John Wiley &amp; Sons.</li> <li>9. Peterson Drake, P., &amp; Fabozzi, F.J. (2013). <i>Analysis of Financial Statements</i>, 3rd Edition. Hoboken: John Wiley &amp; Sons.</li> <li>10. Robinson, T.R., Henry, E., Pirie, W.L., Broihahn, M. &amp; Cope, A.T. (2012). <i>International Financial Statement Analysis</i>, 2nd edition. Hoboken: John Wiley &amp; Sons.</li> <li>11. Weaver, S.C. (2012). <i>The Essentials of Financial Analysis</i>. New York: McGraw-Hill.</li> </ol>		

8.2. Seminar/laboratory	Teaching Method	Remarks
1. Economic and financial analysis – methodological approaches	exercise	1 seminar
2. Microeconomic analysis system	exercise	1 seminar
3. Methodology of the entity's economic and financial analysis	exercise	2 seminars
4. Analysis of the entity's financial position	exercise	2 seminars
5. Financial analysis of asset management	exercise	1 seminar
6. Financial analysis of resource management	exercise	1 seminar
7. Analysis of financial equilibrium	exercise	1 seminar
8. Analysis of financial performance	exercise	1 seminar
9. Cash flow analysis	exercise	1 seminar
10. Bankruptcy risk analysis	exercise	1 seminar
References	<ol style="list-style-type: none"> <li>1. Bătrâncea L. (2021), <i>Economic and Financial Analysis Coursebook</i>. Cluj-Napoca: Risoprint.</li> <li>2. Bătrâncea I., Bătrâncea L.M., Moscviciov A., Nichita A. (2012). <i>Financial Statements Analysis</i>. Cluj-Napoca: Risoprint.</li> <li>3. Berk, J., &amp; DeMarzo, P. (2019). <i>Corporate Finance, Global Edition</i>, 5th Edition. Harlow: Pearson Education Limited.</li> <li>4. Bernstein, L.A., &amp; Wild, J.J. (2000). <i>Analysis of Financial Statements</i>. New York: McGraw-Hill.</li> <li>5. Damodaran, A. (2022). <i>Applied Corporate Finance</i>, 4th Edition. Hoboken: John Wiley &amp; Sons.</li> <li>6. Ehrhardt, M., Fox, R., &amp; Brigham, E. (2019). <i>Financial Management EMEA: Theory and</i></li> </ol>	



	<p><i>Practice</i>, 2nd Edition. Boston: Cengage Learning.</p> <p>7. Elliot, A., &amp; Elliot, J. (2002). <i>Financial Accounting &amp; Reporting</i>. Harlow: Pearson Education Limited.</p> <p>8. Friedlob, G.T., &amp; Schleifer, L.L.F. (2003). <i>Essentials of Financial Analysis</i>. Hoboken: John Wiley &amp; Sons.</p> <p>9. Peterson Drake, P., &amp; Fabozzi, F.J. (2013). <i>Analysis of Financial Statements</i>, 3rd Edition. Hoboken: John Wiley &amp; Sons.</p> <p>10. Robinson, T.R., Henry, E., Pirie, W.L., Broihahn, M. &amp; Cope, A.T. (2012). <i>International Financial Statement Analysis</i>, 2nd edition. Hoboken: John Wiley &amp; Sons.</p> <p>11. Weaver, S.C. (2012). <i>The Essentials of Financial Analysis</i>. New York: McGraw-Hill.</p>
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**9. Corroborating the content of the course with the expectations of the epistemic community, professional associations and representative employers within the field of the program**

The course is useful for all liberal professions derived from the economics profession, as following:

- Credit analyst, in grounding the analysis of the bank clients' creditworthiness;
- Stock market analyst, in grounding decisions of investing on the stock market;
- Financial evaluator, in grounding assessment diagnosis;
- Financial auditor, in stating the auditor's opinion, especially concerning the application of the continuous activity principle;
- Accounting expert, in diagnosing the financial state of the entity;
- Fiscal consultant, in grounding the tax base, which is directly linked to the financial performances achieved by an economic entity;
- Financial liquidator, in grounding the diagnosis for liquidating an economic entity.

**10.Evaluation**

Type of activity	10.1 Evaluation criteria	10.2 Evaluation method	10.3 Percentage in the final grade
10.4. Lecture	<ul style="list-style-type: none"> <li>• Correctly applying the concepts acquired</li> <li>• Interpreting the results</li> </ul>	Final exam	60%
10.5. Seminar/lab activities	<ul style="list-style-type: none"> <li>• Capacity of applying the concepts acquired</li> <li>• Interest for individual training</li> <li>• Seriousness in approaching problems</li> </ul>	Project and bonus points obtained during the semester	40%
10.6. Minimum performance standards			
<ul style="list-style-type: none"> <li>• Knowledge of basic notions and their application to practical situations</li> <li>• Interpretation of the results</li> </ul>			

<b>Date</b>	<b>Lecture coordinator</b>	<b>Seminar coordinator</b>
<u>29.09.2023</u>	<u>Assoc.Prof.Dr. Larissa-Margareta BĂTRÂNCEA</u>	<u>Assoc.Prof.Dr. Larissa-Margareta BĂTRÂNCEA</u>
<b>Date of approval</b>	<b>Head of department</b>	
<u>11.10.2023</u>	<u>Prof.Dr. Ioan Cristian CHIFU</u>	