



**SYLLABUS**  
**Corporate Finance**  
Academic year 2025-2026

**1. Information regarding the program**

1.1. Higher education institution	Universitatea Babeș Bolyai
1.2. Faculty	Business
1.3. Department	Business
1.4. Field of study	Business Administration
1.5. Study cycle	Bachelor
1.6. Study programme/Qualification	Business Administration/Bachelor in Economic Studies
1.7. Form of education	Full time

**2. Information regarding the discipline**

2.1. Name of the discipline		Corporate Finance				Discipline code		ILR0103			
2.2. Course coordinator			Assoc.prof. Ioan Alin NISTOR, PhD								
2.3. Seminar coordinator			Assoc.prof. Ioan Alin NISTOR, PhD								
2.4. Year of study		2	2.5. Semester		1	2.6. Type of evaluation		E	2.7. Discipline regime		compulsory

**3. Total estimated time (hours/semester of didactic activities)**

3.1. Hours per week	4	of which: 3.2 course	2	3.3 seminar/laboratory	2
3.4. Total hours in the curriculum	56	of which: 3.5 course	28	3.6 seminar/laboratory	28
<b>Time allotment for individual study (ID) and self-study activities (SA)</b>					<b>hours</b>
Learning using manual, course support, bibliography, course notes (SA)					14
Additional documentation (in libraries, on electronic platforms, field documentation)					14
Preparation for seminars/labs, homework, papers, portfolios and essays					28
Tutorship					2
Evaluations					2
Other activities:					9
<b>3.7. Total individual study hours</b>					<b>69</b>
<b>3.8. Total hours per semester</b>					<b>125</b>
<b>3.9. Number of ECTS credits</b>					<b>5</b>

**4. Prerequisites (if necessary)**

4.1. curriculum	
4.2. competencies	

**5. Conditions (if necessary)**

5.1. for the course	classroom with computer and projector;
5.2. for the seminar /lab activities	classroom with computer and projector;



### 6.1. Specific competencies acquired

Professional/essential competencies	<p>C1. Gathering, processing and analysing data regarding the interaction between a company/an organisation and the external environment</p> <ul style="list-style-type: none"><li>• C1.2. Explanation and interpretation of the relationship of economic influence exerted by the external environment on the enterprise / organization</li></ul> <p>C2. Providing assistance for running a company/an organisation as a whole</p> <ul style="list-style-type: none"><li>• C2.4. Critical-constructive evaluation of explaining and / or solving a problem regarding the functioning of the enterprise / organization</li></ul>
Transversal competencies	<p>CT1 - Implementing ethical principles, norms and values within one's own rigorous, efficient, and responsible strategy of work</p>

### 6.2. Learning outcomes

Knowledge	<p>The student has knowledge of accounting, processing, and analysis of economic and financial information required for an effective organisation and management of businesses</p> <ul style="list-style-type: none"><li>• describes market conditions, government regulations, financial situation, as well as the objectives and needs of the company's customers.</li><li>• distinguishes the forms of cash flows, absolute and relative profitability indicators, capital costs and the synthesis of financial information.</li></ul>
Skills	<p>The student has the necessary skills to use methods and techniques specific to the financial and accounting management of an enterprise as a whole, specialised software included.</p> <ul style="list-style-type: none"><li>• demonstrate the compliance of financial policies by applying internal and external rules.</li><li>• examines financial risks that could affect organizations or individuals.</li></ul>
Responsibility and autonomy:	<p>The student is able to make decisions according to their position and to take responsibility towards higher hierarchical levels.</p> <ul style="list-style-type: none"><li>• prepares forecasts of the financial statements and proposes appropriate solutions to achieve the strategic objectives of the enterprise.</li><li>• constructs financial scenarios and proposes measures to improve the economic efficiency of the enterprise or an investment project.</li></ul>



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

<b>7.1 General objective of the discipline</b>	Provide students with an understanding of financial reports in a company, ratios and financial ratio analysis, investments, risk-return trade-offs, and capital structure decisions. By the end of the semester students will learn about NPV and its applications, risk and return, market efficiency and financial securities, corporate dividend policies and budgeting.
<b>7.2 Specific objective of the discipline</b>	This course will help students considerably whether they are pursuing a career in finance or in another business area such as consulting or strategic planning where they need to understand what is driving the financial choices in the company. Although the course emphasizes corporate policies, the students will find that the fundamental financial principles discussed in the course are useful for the personal investment decisions as well.

## 8. Content

8.1 Course	Teaching methods	Remarks
Introduction into the "Business" principle and concept. Corporate finance function.	interactive discussion, examples, case studies,	<ul style="list-style-type: none"> <li>• Explain the nature and purpose of corporate finance.</li> <li>• Discuss the relationship between financial objectives, corporate objectives and corporate strategy</li> </ul>
Investment appraisal techniques Adjusting for risk and uncertainty in investment appraisal	interactive discussion, examples, case studies	<ul style="list-style-type: none"> <li>• Identify and calculate relevant cash flows for investment projects</li> <li>• Calculate payback period and discuss the usefulness of payback as an investment appraisal method</li> <li>• Calculate discounted payback and discuss its usefulness as an investment appraisal method</li> <li>• Calculate net present value and discuss its usefulness as an investment appraisal method</li> <li>• Discuss the superiority of discounted cash flow (DCF) methods over non-DCF methods</li> </ul>
Financial statements	interactive discussion, examples, case studies	<ul style="list-style-type: none"> <li>• Understanding financial statements</li> <li>• Balance sheet</li> <li>• Income statement</li> <li>• Statement of cash flow</li> <li>• Statement of retained earnings</li> <li>• Consolidated financial statements.</li> </ul>
Financial analysis. Financial ratios.	interactive discussion, examples, case studies	<ul style="list-style-type: none"> <li>• Explain and apply relevant accounting ratios, including: (Current and</li> </ul>



		<p>Quick Ratio; Inventory turnover ratio, sales revenue/net working capital ratio)</p> <ul style="list-style-type: none"> <li>Describe and apply ways of measuring achievement of corporate objectives (Ratio analysis)</li> </ul>
Working Capital Management	interactive discussion, examples, case studies	<ul style="list-style-type: none"> <li>Describe the nature of working capital and identify its elements</li> <li>Identify the objectives of working capital</li> <li>Discuss, apply and evaluate the use of relevant techniques in managing inventory, accounts receivable, accounts payable, cash)</li> </ul>
Introduction to risk, return and the opportunity cost of capital.	interactive discussion, examples, case studies	<ul style="list-style-type: none"> <li>Estimate the cost of equity; Explanation and discussion of systematic and unsystematic risk;</li> <li>Estimating the cost of debt</li> <li>Estimating the overall cost of capital</li> </ul>
<p>The nature and purpose of financial management</p> <p>Financial objectives and the relationship with corporate strategy</p>	interactive discussion, examples, case studies	<ul style="list-style-type: none"> <li>Explain the nature and purpose of financial management</li> <li>Explain the relationship between financial management and financial and management accounting</li> <li>Discuss the relationship between financial objectives, corporate objectives and corporate strategy</li> <li>Identify and describe a variety of financial objectives</li> </ul>
Sources of finance and their relative costs	interactive discussion, examples, case studies	<ul style="list-style-type: none"> <li>Identify and discuss the range of short-term and long-term sources of finance available to the business</li> <li>Identify the relative cost of different type of financing</li> </ul>
Capital structure theories and practical considerations	interactive discussion, examples, case studies	<ul style="list-style-type: none"> <li>Describe the traditional view of capital structure and its assumptions</li> <li>Describe the views of Miller and Modigliani on capital structure, both without and</li> </ul>



		<p>with corporate taxation, and their assumptions</p> <ul style="list-style-type: none"> <li>• Discuss other views and theories related to capital structure</li> </ul>
Budgets. Budgeting the business.	interactive discussion, examples, case studies	<ul style="list-style-type: none"> <li>• Determining the budget of a business and the budget for subunits</li> <li>• Technics in making a budget. Planning and adjusting a budget.</li> <li>• Control, plan and motivate with the budget</li> </ul>
The economic environment of business	interactive discussion, examples, case studies	<ul style="list-style-type: none"> <li>• Explain how government economic policy interacts with planning and decision-making in business</li> <li>• Explain the need for, and the interaction with, planning and decision-making in business of: government assistance for business; corporate governance regulation</li> </ul>
Review and exam type questions and examples	interactive discussion, examples, case studies	Review and exam type questions and examples
<p>Bibliography:</p> <ol style="list-style-type: none"> <li>1. Eugene F. Brigham, Michael C. Ehrhardt, <i>Financial Management: Theory &amp; Practice</i> - 15th Edition, Cengage Learning; 2020</li> <li>2. Greg Shields, Risk Management: <i>The Ultimate Guide to Financial Risk Management as Applied to Corporate Finance</i>, Bravex Publications, 2020</li> <li>3. Ross Stephen, Westerfield Randolph, Jordan Bradford, <i>Fundamentals of Corporate Finance</i>, McGraw-Hill Education, 2021</li> <li>4. Paul Asquith, Lawrence A. Weiss, <i>Lessons in Corporate Finance: A Case Studies Approach to Financial Tools, Financial Policies, and Valuation</i>, Wiley, 2019</li> <li>5. Stephen Ross, Randolph Westerfield, Bradford Jordan; <i>Essentials of Corporate Finance</i>, McGraw-Hill Education; 10 edition, 2019</li> <li>6. Paul Asquith, Lawrence A. Weiss, <i>Lessons in Corporate Finance: A Case Studies Approach to Financial Tools, Financial Policies, and Valuation</i>, Wiley; 2 edition, 2019</li> <li>7. The Economist, John Tennent, <i>Guide to Financial Management: Understand and Improve the Bottom Line</i>, The Economist; 3 edition, 2018</li> <li>8. John Cousins, <i>Understanding Corporate Finance</i>, Independently published, 2017</li> <li>9. Charles Menifield, <i>The Basics of Public Budgeting and Financial Management</i>, Third Edition, Hamilton Books; 3rd edition, 2017</li> <li>10. Jesse McDougall and Patrick Boyle, <i>Corporate Finance: Investment and Advisory Applications</i>, CreateSpace Independent Publishing Platform, 2017</li> <li>11. David K. Eiteman, Arthur I. Stonehill, Michael H. Moffett, <i>Multinational Business Finance, Global Edition</i>, Pearson; 14 edition, 2015</li> <li>12. Raymond Brooks, <i>Financial Management: Core Concepts</i> (3rd Edition), Pearson; 3 edition, 2015</li> <li>13. Warren E. Buffett, Lawrence A. Cunningham, <i>The Essays of Warren Buffett: Lessons for Corporate America</i>, The Cunningham Group &amp; Carolina Academic Press; Fourth edition, 2015</li> <li>14. Eugene F. Brigham, Joel F. Houston, <i>Fundamentals of Financial Management</i>, Cengage Learning; 8 edition, 2014</li> <li>15. Simon Benninga, <i>Financial Modeling</i>, The MIT Press; fourth edition edition, 2014</li> <li>16. Aswath Damodaran, <i>Applied Corporate Finance</i>, Wiley; 4 edition, 2014</li> </ol>		



17. Carl Richards, *The Behavior Gap: Simple Ways to Stop Doing Dumb Things with Money*, Portfolio; First Edition, 1st Printing edition, 2012  
18. Stephen A. Ross, Randolph W. Westerfield, Jeffrey F. Jaffe, *Corporate Finance*, Irwin Series in Finance, 2011  
19. Stanley J. Feldman, *Principles of Private Firm Valuation*, Wiley; 1 edition, 2005IL  
20. George S. Clason, *The Richest Man in Babylon*, Publisher: Berkley Revised edition, 2002

8.2 Seminar / laboratory	Metode de predare	Observații
Introduction into the "Business" principle and concept. Corporate finance function.	applications, examples, case studies, questions	<ul style="list-style-type: none"><li>• Explain the nature and purpose of corporate finance.</li><li>• Discuss the relationship between financial objectives, corporate objectives and corporate strategy</li></ul>
Investment appraisal techniques Adjusting for risk and uncertainty in investment appraisal	applications, examples, case studies, questions	<ul style="list-style-type: none"><li>• Identify and calculate relevant cash flows for investment projects</li><li>• Calculate payback period and discuss the usefulness of payback as an investment appraisal method</li><li>• Calculate discounted payback and discuss its usefulness as an investment appraisal method</li><li>• Calculate net present value and discuss its usefulness as an investment appraisal method</li><li>• Discuss the superiority of discounted cash flow (DCF) methods over non-DCF methods</li></ul>
Financial statements	applications, examples, case studies, questions	<ul style="list-style-type: none"><li>• Understanding financial statements</li><li>• Balance sheet</li><li>• Income statement</li><li>• Statement of cash flow</li><li>• Statement of retained earnings</li><li>• Consolidated financial statements.</li></ul>
Financial analysis. Financial ratios.	applications, examples, case studies, questions	<ul style="list-style-type: none"><li>• Explain and apply relevant accounting ratios, including: (Current and Quick Ratio; Inventory turnover ratio, sales revenue/net working capital ratio)</li><li>• Describe and apply ways of measuring achievement of corporate objectives (Ratio analysis)</li></ul>



Working Capital Management	applications, examples, case studies, questions	<ul style="list-style-type: none"> <li>Describe the nature of working capital and identify its elements</li> <li>Identify the objectives of working capital</li> <li>Discuss, apply and evaluate the use of relevant techniques in managing inventory, accounts receivable, accounts payable, cash)</li> </ul>
Introduction to risk, return and the opportunity cost of capital.	applications, examples, case studies, questions	<ul style="list-style-type: none"> <li>Estimate the cost of equity; Explanation and discussion of systematic and unsystematic risk;</li> <li>Estimating the cost of debt</li> <li>Estimating the overall cost of capital</li> </ul>
<p>The nature and purpose of financial management</p> <p>Financial objectives and the relationship with corporate strategy</p>	applications, examples, case studies, questions	<ul style="list-style-type: none"> <li>Explain the nature and purpose of financial management</li> <li>Explain the relationship between financial management and financial and management accounting</li> <li>Discuss the relationship between financial objectives, corporate objectives and corporate strategy</li> <li>Identify and describe a variety of financial objectives</li> </ul>
Sources of finance and their relative costs	applications, examples, case studies, questions	<ul style="list-style-type: none"> <li>Identify and discuss the range of short-term and long-term sources of finance available to the business</li> <li>Identify the relative cost of different type of financing</li> </ul>
Capital structure theories and practical considerations	applications, examples, case studies, questions	<ul style="list-style-type: none"> <li>Describe the traditional view of capital structure and its assumptions</li> <li>Describe the views of Miller and Modigliani on capital structure, both without and with corporate taxation, and their assumptions</li> <li>Discuss other views and theories related to capital structure</li> </ul>
Budgets. Budgeting the business.	applications, examples, case studies, questions	<ul style="list-style-type: none"> <li>Determining the budget of a business and the budget for subunits</li> <li>Technics in making a budget.</li> </ul>



		Planning and adjusting a budget. • Control, plan and motivate with the budget
The economic environment of business	applications, examples, case studies, questions	<ul style="list-style-type: none"> <li>• Explain how government economic policy interacts with planning and decision-making in business</li> <li>• Explain the need for, and the interaction with, planning and decision-making in business of: government assistance for business; corporate governance regulation</li> </ul>
Review and exam type questions and examples	applications, examples, case studies, questions	Review and exam type questions and examples
<p>Bibliography:</p> <ol style="list-style-type: none"> <li>1. Eugene F. Brigham, Michael C. Ehrhardt, <i>Financial Management: Theory &amp; Practice</i> - 15th Edition, Cengage Learning; 2020</li> <li>2. Greg Shields, Risk Management: <i>The Ultimate Guide to Financial Risk Management as Applied to Corporate Finance</i>, Bravex Publications, 2020</li> <li>3. Ross Stephen, Westerfield Randolph, Jordan Bradford, <i>Fundamentals of Corporate Finance</i>, McGraw-Hill Education, 2021</li> <li>4. Paul Asquith, Lawrence A. Weiss, <i>Lessons in Corporate Finance: A Case Studies Approach to Financial Tools, Financial Policies, and Valuation</i>, Wiley, 2019</li> <li>5. Stephen Ross, Randolph Westerfield, Bradford Jordan; <i>Essentials of Corporate Finance</i>, McGraw-Hill Education; 10 edition, 2019</li> <li>6. Paul Asquith, Lawrence A. Weiss, <i>Lessons in Corporate Finance: A Case Studies Approach to Financial Tools, Financial Policies, and Valuation</i>, Wiley; 2 edition, 2019</li> <li>7. The Economist, John Tennent, <i>Guide to Financial Management: Understand and Improve the Bottom Line</i>, The Economist; 3 edition, 2018</li> <li>8. John Cousins, <i>Understanding Corporate Finance</i>, Independently published, 2017</li> <li>9. Charles Menifield, <i>The Basics of Public Budgeting and Financial Management</i>, Third Edition, Hamilton Books; 3rd edition, 2017</li> <li>10. Jesse McDougall and Patrick Boyle, <i>Corporate Finance: Investment and Advisory Applications</i>, CreateSpace Independent Publishing Platform, 2017</li> <li>11. David K. Eiteman, Arthur I. Stonehill, Michael H. Moffett, <i>Multinational Business Finance, Global Edition</i>, Pearson; 14 edition, 2015</li> <li>12. Raymond Brooks, <i>Financial Management: Core Concepts</i> (3rd Edition), Pearson; 3 edition, 2015</li> <li>13. Warren E. Buffett, Lawrence A. Cunningham, <i>The Essays of Warren Buffett: Lessons for Corporate America</i>, The Cunningham Group &amp; Carolina Academic Press; Fourth edition, 2015</li> <li>14. Eugene F. Brigham, Joel F. Houston, <i>Fundamentals of Financial Management</i>, Cengage Learning; 8 edition, 2014</li> <li>15. Simon Benninga, <i>Financial Modeling</i>, The MIT Press; fourth edition edition, 2014</li> <li>16. Aswath Damodaran, <i>Applied Corporate Finance</i>, Wiley; 4 edition, 2014</li> <li>17. Carl Richards, <i>The Behavior Gap: Simple Ways to Stop Doing Dumb Things with Money</i>, Portfolio; First Edition, 1st Printing edition, 2012</li> <li>18. Stephen A. Ross, Randolph W. Westerfield, Jeffrey F. Jaffe, <i>Corporate Finance</i>, Irwin Series in Finance, 2011</li> <li>19. Stanley J., Feldman, <i>Principles of Private Firm Valuation</i>, Wiley; 1 edition, 2005IL</li> <li>20. George S. Clason, <i>The Richest Man in Babylon</i>, Publisher: Berkley Revised edition, 2002</li> </ol>		



### 9. Corroborating the content of the discipline with the expectations of the epistemic community, professional associations and representative employers within the field of the program



- The content of the lecture is very much linked with what is being taught in other universities in Romania and around the world and in Business Schools that are accredited by the NIBS and AACSB.
- The content of the curricula has been discussed with corporate partners, consulting companies, representatives from multinational companies but also with university colleagues from abroad

### 10. Evaluation

- The same evaluation criteria are maintained for all exams sessions. The components of the evaluation process carried out during the semester cannot be recovered/redone in the examination sessions.
- To be able to accumulate the points obtained during the semester, it is mandatory to obtain a minimum of 5 (five) in the final exam (written/oral).

Activity type	10.1 Evaluation criteria	10.2 Evaluation methods	10.3 Percentage of final grade
10.4 Course	Written test. Applications, case studies, multiple choice questions	Final exam (in the exams session)	70%
10.5 Seminar/laboratory	Written project	Projects, reports (during the semester)	30%
10.6 Minimum standard of performance			
<ul style="list-style-type: none"> <li>• Knowledge of the fundamental concepts and their applications in case studies, questions;</li> <li>• Basic understanding and interpretation of the financial reports and results.</li> </ul>			

### 11. Labels ODD (Sustainable Development Goals)<sup>1</sup>

	General label for Sustainable Development							
								

Date:

09.04.2025

Signature of course coordinator

Ioan Alin NISTOR, PhD

Signature of seminar coordinator

Date of approval:

10.04.2025

Signature of the head of department

Ioan Cristian CHIFU, PHD

<sup>1</sup> Keep only the labels that, according to the [Procedure for applying ODD labels in the academic process](#), suit the discipline and delete the others, including the general one for Sustainable Development – if not applicable. If no label describes the discipline, delete them all and write „Not applicable.”.