COURSE DESCRIPTION
Corporate finance
Academic year 2026-2027

1. Programme-related data

1.1. Higher Education Institution	Babeş-Bolyai University
1.2. Faculty	Business
1.3. Department	Business
1.4. Field	Business Administration
1.5. Level of study	Bachelor
1.6. Degree 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			Codul disciplinei	ILE0103
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 assessment	Exam
2.7. Course status	Compulsory			2.8. Course type	Domain subject

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

3.1. Number of hours per week	4	of which: 3.2. course	2	3.3. seminar/ laboratory/ project	2
3.4. Total of hours in the curriculum	56	of which: 3.5. course	28	3.6. seminar/ laboratory	28
Time allocation for individual study (IS) and self-taught activities (ST)					**hours**
Learning from textbooks, course materials, bibliography, and notes (IS)					14
Additional research in the library, on subject-specific electronic platforms, and on-site					14
Preparing seminars/ laboratories/ projects, assignments, reports, portfolios, and essays					28
Tutoring (professional guidance)					2
Examinations					4
Other activities					7
3.7. Total hours of individual study (IS) and self-taught activities (ST)	**69**				
3.8. Total hours per semester	**125**				
3.9. Number of credits	**5**				

4. Prerequisites (where applicable)

4.1. curriculum-related	
4.2 skills-related	

5. Specific conditions (where applicable)

5.1. course-related	
5.2. seminar/laboratory-related	

6.1. Competencies resulting from the completion of the degree programme

Professional competencies	
Competency code	**Competency**
PC1	Gathering, processing and analysing data regarding the interaction between a company/an organisation and the external environment
PC2	Providing assistance for running a company/an organisation as a whole
Transversal competencies	
Competency code	**Competency**
TC1	Implementing ethical principles, norms and values within one's own rigorous, efficient, and responsible strategy of work

6.2. Learning outcomes relevant to the degree programme

Learning outcomes targeted by the subject		
Competency code	**Knowledge and comprehension**	**Specific academic skills**
PC1 PC2 TC1	1. The graduate has knowledge of accounting, processing, and analyzing economic and financial information required for effective organization and management of businesses.	1. The graduate has the necessary skills to use methods and techniques specific to the financial and accounting management of an enterprise as a whole, specialized software included.

7. Subject-specific learning outcomes

Knowledge and understanding
1. The Student/Graduate describes market conditions, government regulations, financial situation, as well as the objectives and needs of the company's customers.
2. The Student/Graduate distinguishes the forms of cash flows, absolute and relative profitability indicators, capital costs and the synthesis of financial information.
Specific academic skills
1.The Student/Graduate demonstrate the compliance of financial policies by applying internal and external rules.
2. The Student/Graduate examines financial risks that could affect organizations or individuals

8.1. Course	Teaching and learning methods	Remarks
Introduction into the "Business" principle and concept. Corporate finance function.	interactive discussion, examples, case studies,	• Explain the nature and purpose of corporate finance. • Discuss the relationship between financial objectives, corporate objectives and corporate strategy
Investment appraisal techniques Adjusting for risk and uncertainty in investment appraisal	interactive discussion, examples, case studies	• Identify and calculate relevant cash flows for investment projects • Calculate payback period and discuss the usefulness of payback as an investment appraisal method • Calculate discounted payback and discuss its

		usefulness as an investment appraisal method • Calculate net present value and discuss its usefulness as an investment appraisal method • Discuss the superiority of discounted cash flow (DCF) methods over non-DCF methods
Financial statements	interactive discussion, examples, case studies	• Understanding financial statements • Balance sheet • Income statement • Statement of cash flow • Statement of retained earnings • Consolidated financial statements.
Financial analysis. Financial ratios.	interactive discussion, examples, case studies	• Explain and apply relevant accounting ratios, including: (Current and Quick Ratio; Inventory turnover ratio, sales revenue/net working capital ratio) • Describe and apply ways of measuring achievement of corporate objectives (Ratio analysis)
Working Capital Management	interactive discussion, examples, case studies	• Describe the nature of working capital and identify its elements • Identify the objectives of working capital • Discuss, apply and evaluate the use of relevant techniques in managing inventory, accounts receivable, accounts payable, cash)
Introduction to risk, return and the opportunity cost of capital.	interactive discussion, examples, case studies	• Estimate the cost of equity; Explanation and discussion of systematic and unsystematic risk; • Estimating the cost of debt • Estimating the overall cost of capital
The nature and purpose of financial management Financial objectives and the relationship with corporate strategy	interactive discussion, examples, case studies	• Explain the nature and purpose of financial management • Explain the relationship between financial management and financial and management accounting • Discuss the relationship between financial objectives, corporate

		objectives and corporate strategy • Identify and describe a variety of financial objectives
Sources of finance and their relative costs	interactive discussion, examples, case studies	• Identify and discuss the range of short-term and long-term sources of finance available to the business • Identify the relative cost of different type of financing
Capital structure theories and practical considerations	interactive discussion, examples, case studies	• Describe the traditional view of capital structure and its assumptions • Describe the views of Miller and Modigliani on capital structure, both without and with corporate taxation, and their assumptions • Discuss other views and theories related to capital structure
Budgets. Budgeting the business.	interactive discussion, examples, case studies	• Determining the budget of a business and the budget for subunits • Technics in making a budget. Planning and adjusting a budget. • Control, plan and motivate with the budget
The economic environment of business	interactive discussion, examples, case studies	• Explain how government economic policy interacts with planning and decision-making in business • Explain the need for, and the interaction with, planning and decision-making in business of: government assistance for business; corporate governance regulation
Review and exam type questions and examples	interactive discussion, examples, case studies	• Review and exam type questions and examples

Bibliography

Bibliography:
1. Eugene F. Brigham, Michael C. Ehrhardt, *Financial Management: Theory & Practice* - 15th Edition, Cengage Learning; 2020
2. Greg Shields, Risk Management: *The Ultimate Guide to Financial Risk Management as Applied to Corporate Finance,* Bravex Publications, 2020
3. Ross Stephen, Westerfield Randolph, Jordan Bradford, *Fundamentals of Corporate Finance,* McGraw-Hill Education, 2021
4. Paul Asquith, Lawrence A. Weiss, *Lessons in Corporate Finance: A Case Studies Approach to Financial Tools, Financial Policies, and Valuation,* Wiley, 2019
5. Stephen Ross, Randolph Westerfield, Bradford Jordan; *Essentials of Corporate Finance*, McGraw-Hill Education; 10 edition, 2019
6. Paul Asquith, Lawrence A. Weiss, *Lessons in Corporate Finance: A Case Studies Approach to Financial Tools*, Financial Policies, and Valuation, Wiley; 2 edition, 2019
7. The Economist, John Tennent*, Guide to Financial Management: Understand and Improve the Bottom Line*, The Economist; 3 edition, 2018

8. John Cousins, *Understanding Corporate Finance*, Independently published, 2017
9. Charles Menifield, *The Basics of Public Budgeting and Financial Management*, Third Edition, Hamilton Books; 3rd edition, 2017
10. Jesse McDougall and Patrick Boyle, *Corporate Finance: Investment and Advisory Applications*, CreateSpace Independent Publishing Platform, 2017
11. David K. Eiteman, Arthur I. Stonehill, Michael H. Moffett, *Multinational Business Finance, Global Edition*, Pearson; 14 edition, 2015
12. Raymond Brooks, *Financial Management: Core Concepts* (3rd Edition), Pearson; 3 edition, 2015
13. Warren E. Buffett, Lawrence A. Cunningham, *The Essays of Warren Buffett: Lessons for Corporate America*, The Cunningham Group & Carolina Academic Press; Fourth edition, 2015
14. Eugene F. Brigham, Joel F. Houston, *Fundamentals of Financial Management*, Cengage Learning; 8 edition, 2014
15. Simon Benninga, *Financial Modeling*, The MIT Press; fourth edition edition, 2014
16. Aswath Damodaran, *Applied Corporate Finance*, Wiley; 4 edition, 2014
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	Teaching and learning methods	Remarks
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Investment appraisal techniques Adjusting for risk and uncertainty in investment appraisal	applications, examples, case studies, questions	• Identify and calculate relevant cash flows for investment projects • Calculate payback period and discuss the usefulness of payback as an investment appraisal method • Calculate discounted payback and discuss its usefulness as an investment appraisal method • Calculate net present value and discuss its usefulness as an investment appraisal method • Discuss the superiority of discounted cash flow (DCF) methods over non-DCF methods
Financial statements	applications, examples, case studies, questions	• Understanding financial statements • Balance sheet • Income statement • Statement of cash flow • Statement of retained earnings • Consolidated financial statements.
Financial analysis. Financial ratios.	applications, examples, case studies, questions	• Explain and apply relevant accounting ratios, including: (Current and Quick Ratio; Inventory turnover ratio, sales

		revenue/net working capital ratio) • Describe and apply ways of measuring achievement of corporate objectives (Ratio analysis)
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Introduction to risk, return and the opportunity cost of capital.	applications, examples, case studies, questions	• Estimate the cost of equity; Explanation and discussion of systematic and unsystematic risk; • Estimating the cost of debt • Estimating the overall cost of capital
The nature and purpose of financial management Financial objectives and the relationship with corporate strategy	applications, examples, case studies, questions	• Explain the nature and purpose of financial management • Explain the relationship between financial management and financial and management accounting • Discuss the relationship between financial objectives, corporate objectives and corporate strategy • Identify and describe a variety of financial objectives
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		subunits • Technics in making a budget. Planning and adjusting a budget. • Control, plan and motivate with the budget
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Review and exam type questions and examples	applications, examples, case studies, questions	• Review and exam type questions and examples

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9. 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).**

Type of activity	9.1 Evaluation criteria	9.2 Evaluation methods	9.3 Percentage in the final grade
9.4 Curs	Understanding the fundamental concepts of corporate financial management and the financial objectives of the firm	Final exam (in the exams session)	70%
	Ability to analyse the firm's capital structure, working capital and financial indicators		
	Understanding sources of financing and financing mechanisms for short-term and long-term activities		
	Application of concepts related to cost of capital, profit management, dividend policy and financial structure		
	Interpretation of financial information and formulation of conclusions regarding the firm's performance and financial equilibrium		
9.5 Seminar/laborator	Application of financial analysis methods for assessing the economic and financial position of a firm	Projects, reports (during the semester)	30%
	Calculation and interpretation of financial indicators used in managerial decision-making		
	Development and justification of financial solutions regarding financing, investment and treasury management decisions		

9.6 Standard minim de promovare
To obtain the minimum passing grade (5), students must demonstrate: • knowledge of the fundamental concepts of corporate finance; • the ability to apply these concepts to exercises, problems and case studies; • the ability to correctly interpret financial results and indicators.

10. SDG labels (Sustainable Development Goals)

	○	Sustainable Development Generic Label

1 FĂRĂ SĂRĂCIE	2 FOAMETE „ZERO”	3 SĂNĂTATE ȘI BUNĂSTARE	4 EDUCAȚIE DE CALITATE	5 EGALITATE DE GEN	6 APĂ CURATĂ ȘI SANITAȚIE	7 ENERGIE CURATĂ ȘI LA PREȚURI ACCESIBILE	8 MUNCĂ DECENTĂ ȘI CREȘTERE ECONOMICĂ	9 INDUSTRIE, INOVAȚIE ȘI INFRASTRUCTURĂ
○	○	○	○	○	○	○	○	○
10 INEGALITĂȚI REDUSE	11 ORAȘE ȘI COMUNITĂȚI DURABILE	12 CONSUM ȘI PRODUCȚIE RESPONSABILE	13 ACȚIUNE CLIMATICĂ	14 VIAȚA ACVATICĂ	15 VIAȚA TERESTRĂ	16 PACE, JUSTIȚIE ȘI INSTITUȚII EFICIENTE	17 PARTENERIATE PENTRU REALIZAREA OBIECTIVELOR	Nu se aplică nici o etichetă
○	○	○	○	○	○	○	○	○

Date of entry:	Signature of course coordinator	Signature of seminar coordinator
22.05.2026	Assoc.prof. Ioan Alin NISTOR, PhD	Assoc.prof. Ioan Alin NISTOR, PhD

Date of approval in the department:	Signature of the head of department
27.05.2026	Prof. Ioan Cristian CHIFU, PhD