



BAKER COLLEGE
STUDENT LEARNING OUTCOMES

BUS3710 Financial Analysis and Application
4 Semester Credit Hours

Student Learning Outcomes and Enabling Objectives

1. Analyze financial data to measure the performance of a corporation.
 - a. Interpret the information contained in the income statement, balance sheet and statement of cash flows.
 - b. Analyze the basic financial statements using ratio, trend, and industry analyses.
 - c. Use time value of money concepts to determine present and future value information used in decision-making.
 - d. Explore how growth opportunities are reflected in stock prices and price-earnings ratios.
 - e. Examine various types of risk and strategies for dealing with risk.
 - i. Explain the risk/reward concept.
 - ii. Explain how diversification reduces risk.
 - iii. Interpret market risk.
2. Examine the optimal capital structure for a corporation.
 - a. Explain the functions of financial markets and institutions.
 - b. Analyze the capital structure of a corporation.
 - c. Apply valuation concepts to bonds and stocks.
 - d. Explore capital markets for the purpose of accessing financial resources for a corporation.
 - e. Review the major sources of short- and long-term financing for a corporation.
 - f. Analyze a firm's debt and payout policies.
3. Assess the capital management of a corporation.
 - a. Interpret the importance of financial planning in business.
 - b. Apply capital budget principles and tools to various situations.
 - c. Use the net present value rule and discounted cash-flow methods to analyze common problems involving competing projects.
 - d. Use sensitivity, scenario, and break-even analyses to determine how profitability is affected by errors in forecasting
 - e. Assess the impact of project risk on the opportunity cost of capital.

- f. Analyze the firm's weighted average cost of capital (WACC) in relation to the optimal capital structure.
- g. Illustrate proper working capital management procedures.

Big Ideas and Essential Questions

Big Ideas

- Time Value of Money
- Financial Analysis
- Risk/Reward
- Raising/Accessing capital
- Financial Decision-Making

Essential Questions

1. How does time value of money impact corporate finance?
2. How does a corporation raise and access capital?
3. How does a corporation manage capital?
4. What impact does risk play in capital management?
5. How does the risk/reward relationship impact financial decision-making?
6. What does financial analysis reveal to those who access financial information about a corporation?

These SLOs are not approved for experiential credit.

Effective: Fall 2022