

## Module title: Financial Decision Making

<b>Module code:</b>	MFDM/MBAFDM	<b>NQF level:</b>	Level 7
<b>Credit value:</b>	20 credits	<b>Study duration:</b>	12 weeks

### Module description

This module introduces students with non-accounting backgrounds to financial decision making in the short and long term and its relationship to shareholder wealth. Students will develop an understanding and ability to evaluate critically different managerial decision-making models.

### Aims

The module will examine and evaluate a range of accounting issues relating to financial and management decision-making including:

- Costing - SR and LR
- cost volume profit analysis with break-even analysis
- budgeting statements and calculations
- investment – short and long term- decisions relating to capital structure and long term
- financing
- capital investment appraisal models and techniques, time value of money and financial analysis of commercial projects
- Encourage students to critically evaluate the issues outlined above in the context of the student's own organisation and to engage actively in discussions so that effective decision-making is rationalised

### Learning outcomes

On completion of this module students will be able to:

- Develop a critical understanding of short term and long term decision making principles and techniques, including incremental costing and cost volume profit analysis.
- Critically analyse and evaluate the role of budgeting, management control and the conflicting implications of budgeting decisions.
- Demonstrate a critical understanding of the implications of maximising organisational profitability and owners' wealth.
- Reflect on and synthesise the various financial and managerial decision making models and apply these in the student's own organisation.

### Units covered

- 1) Introduction to financial decision making
- 2) Contrasting paradigms and approaches
- 3) Cost volume profit analysis and financial decision making
- 4) Budgeting and management control decisions
- 5) Incremental costing and short terms decision making
- 6) Activity based costing and decision making
- 7) Capital structure
- 8) Capital investment appraisal
- 9) Strategic Management Accounting
- 10) Information systems and financial decision making
- 11) Further aspects of financial reporting
- 12) Financial analysis and interpretation of commercial projects

### Learning and teaching methods

The learning and teaching methods for the module follow the online delivery strategy for the programme as a whole. The module will be delivered by reading materials available on the learning platform supported by pre-recorded lecturecasts, synchronous Question and Answer (Q&A) sessions and directed independent study. Students will be encouraged to identify and share relevant resources and are expected to extend and enhance the knowledge and understanding they acquire by regularly consulting on-line library materials relating to the course. Tutor support will be available to students via online office hours, pre-arranged telephone and/or Skype calls and email communication.

### Assessment

Description of unit of assessment	Length / Duration	Submission Date	Weighting
4 Assessed Discussion Activities	Two weeks	Weeks 2, 4, 8 and 10	20%
Mid-module assignment	2,500 words	Mid Module	35%
Journal Entries	200 – 300 words each	Weeks 2, 4, 6, 8, and 10	10%
End of module project	2,500 words	End of Module	35%