Bachelor Degree in Tourism and Hospitality Management

Academic Year: 2018-2019

Teaching guide

Area: Business Strategies

Subject: Financial Management in Tourism and Hospitality

Period: Semester 5

Lecturers:

Dr. Federico Prats Salmurri

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1. Subject objectives

The main aim of the course is to master the concepts, principles, criteria and techniques used in Financial Management in dealing with real problems in this field, such as investments decisions and financial decisions, as well as financial statement analysis, time value of money and risk management. This module aims to provide students with an understanding of the financial management field in terms of assessing past performance and managerial decision-making for creating value and financing.

The main focus is understand the current situation of companies from an economic and financial point of view for projecting the future in terms of performance, investments and financing, later on, in order to make decisions regarding investments and financing issues, which directly affect company performance, profitability and value creation.

And all of this will be interconnected with the corporate and business strategy of the company. It will be a tourism and hospitality oriented course.

2. Competencies developed

Basic

B01 - Be able to acquire, understand and structure knowledge.
B02 - Be able to apply knowledge.
B03 - Be able to search for and manage information in order to solve problems, transmit reflective judgements and/or make decisions.
B04 - Be able to communicate information and/or knowledge in one’s mother tongue, as well as in at least two foreign languages.
B05 - Be able to learn autonomously and continuously

General

G01 - A commitment to ethics: be able to act in consequence and with basic ethical and social principles
and values

G02 - Orientation towards achievement: demonstrates perseverance to excel and go beyond standards of excellence. Implies motivation for quality.

G11 - Planning and organization: reflects a constant concern for minimizing uncertainty in the environment and comply with established quality parameters.

Specific

E01 - Understand and analyze the economic dimension of tourism

E09 - Analyze, synthesize and critically summarize information on economics ? cultural heritage of tourist organizations.

E10 - Manage financial resources.

3. Content

Session 1: INTRODUCTION Understanding the course a) Learning objectives b) Course format c) Requirements / Grading d) Financial Management topics and functions. Related material: None.

Session 2: FINANCIAL BASICS Financial Equivalence. Time Value of Money. NPV, IRR, WACC,..... Related material: Lectures and exercises from previous sessions.

Session 3: FINANCIAL DECISIONS Leverage and financial strategy (capital structure) Solvency and risk Financing a Company (concepts, theory, relationship with risk, examples and exercises) . Related material: Lectures & exercises from previous sessions

Session 4: READING BALANCE SHEETS Hospitality focused (theory, examples, case studies and financials from companies). Related material: Lectures and exercises from previous sessions.

Session 5: READING BALANCE SHEETS Hospitality focused (theory, examples, case studies and financials from companies). Related material: Lectures & exercises from previous sessions.

Session 6: IMPORTANCE OF BUDGETING (theory, examples, tools, ratios, case studies,...). Related material: Lectures and exercises from previous sessions.

Session 7: MAIN RATIOS & FINANCIAL HOSPITALITY INDICATORS (theory, examples, tools, ratios, case studies,...). Related material: Lectures and exercises from previous sessions.

Session 8: HOSPITALITY P&L ANALYSIS. Related material: Lectures & Exercises from previous sessions

Session 9: HOSPITALITY P&L ANALYSIS. Related material: Lectures & Exercises from previous sessions

Session 10: FINANCIAL FORECASTING Forecasting Financial Statements (Profit & Lost, Balance Sheet and Cash Flow). Financial projections. (examples and case studies using Excel tool). Related material: Lectures and exercises from previous sessions: Excel tool would be required during the session.
Session 11: FINANCIAL FORECASTING Forecasting Financial Statements (Profit & Lost, Balance Sheet and Cash Flow). Financial projections. (examples and case studies using Excel tool). Related material: Lectures and exercises from previous sessions: Excel tool would be required during the session.

Session 12: FINANCIAL FORECASTING Forecasting Financial Statements (Profit & Lost, Balance Sheet and Cash Flow). Financial projections. (examples and case studies using Excel tool). Related material: Lectures and exercises from previous sessions: Excel tool would be required during the session.

Session 13: FINANCIAL FORECASTING Forecasting Financial Statements (Profit & Lost, Balance Sheet and Cash Flow). Financial projections. (examples and case studies using Excel tool). Related material: Lectures and exercises from previous sessions: Excel tool would be required during the session.

Session 14: FINANCIAL FORECASTING Forecasting Financial Statements (Profit & Lost, Balance Sheet and Cash Flow). Financial projections. (examples and case studies using Excel tool). Related material: Lectures and exercises from previous sessions: Excel tool would be required during the session.

Session 15: INTRO TO DERIVATIVES. Related material: Lectures and exercises from previous sessions

Session 16: INTRO TO DERIVATIVES. Related material: Lectures and exercises from previous sessions

Session 17: INTRO TO (HOSPITALITY) COMPANY VALUATION (theory, methodology and exercises). Related material: Lectures and exercises from previous sessions.

Session 18: INTRO TO (HOSPITALITY) COMPANY VALUATION (theory, methodology and exercises). Related material: Lectures and exercises from previous sessions.

Session 19: INTRO TO (HOSPITALITY) COMPANY VALUATION (theory, methodology and exercises). Related material: Lectures and exercises from previous sessions.

Session 20: INTRO TO (HOSPITALITY) COMPANY VALUATION (theory, methodology and exercises). Related material: Lectures and exercises from previous sessions.

Session 21: INTRO TO INTERNATIONAL FINANCE (exercises and examples). Related material: Lectures and exercises from previous sessions.

Session 22: REVIEW & CONCLUSIONS. Related material: None.

4. Teaching methodology

Plenary Lectures.

Practical Exercises.

Case Studies.

Debates. Discussions about current issues related with the subject.
5. Assessment activities

Regular examination call

• Partial exam. Sessions 1 to 3 (Sep, 25/2018)
  Partial exam (Individual - 6%)
  Evaluated competences: B1, B2, B3, B4, B5, G1, G2, G11, E1, E9, E10

• Partial Exam. Sessions 4 to 9 (Oct, 23/2018)
  Partial exam (Individual - 6%)
  Evaluated competences: B1, B2, B3, B4, B5, G1, G2, G11, E1, E9, E10

• Partial Exam. Sessions 10 to 14 (Nov, 09/2018)
  Partial exam (Individual - 6%)
  Evaluated competences: B1, B2, B3, B4, B5, G1, G2, G11, E1, E9, E10

• Partial Exam. Sessions 15 to 20 (Dec, 04/2018)
  Partial exam (Individual - 6%)
  Evaluated competences: B1, B2, B3, B4, B5, G1, G2, G11, E1, E9, E10

• Final exam will cover all the contents presented at class. (Dec, 18/2018)
  Final exam (Individual - 50%)
  Evaluated competences: B1, B2, B3, B4, B5, G1, G2, G11, E1, E9, E10

• Continuous Evaluation during the course. You will have to deliver more than 15 task / exercises during the different sessions.
  Academic Work (Individual - 26%)
  Evaluated competences: B1, B2, B3, B4, B5, G1, G2, G11, E1, E9, E10

- Academic Work consist of many different exercises / tasks during the course. In case of not delivering the exercise /task (for example, for being ill), the mark of that exercise/task will be a 0. The worst 5 marks won't be considered in the average.

- Students must attend a minimum of 70% of all sessions. Students that don't attend a minimum of 70% of sessions are not authorized to do the final Exam.

- A minimum grade of 4 at the final exam is required to be included in the final grade calculation.
-The final grade will be calculated: 26 % grade from Academic work through the different exercises / tasks required + 24% from the 4 Partial Exams + 50% grade from final exam (only if the minimum grade of 4 is achieved this part will be included)

**Resit examination call**

• **Final exam will cover all the contents presented at class.**
  
  Final exam (Individual - 75%)
  Evaluated competences: B1, B2, B3, B4, B5, G1, G2, G11, E1, E9, E10

• **Student must develop a financial analysis of one company (concrete guidelines will be done - deadline the day of the final exam).**
  
  Case analysis (Individual - 25%)
  Evaluated competences: B1, B2, B3, B4, B5, G1, G2, G11, E1, E9, E10

The RETAKE MARK will be the average between Case Analysis (25%) & Final Exam (75%).

- In case Academic Work during the course is > 5/10 (but requires Retake), this previous mark of the Academic Work during the course will be considered as Retake's Case Analysis Mark.

- A minimum grade of 4 at the final exam is required to be included in the final grade calculation.

- In case Ordinary Final Exam during the course is > 5/10 (but requires Retake), this previous note of the Ordinary Final Exam during the course will be considered as Retake's Final Exam Note.

**Repeating students without attendance: regular examination call**

• **Final exam will cover all the contents.**
  
  Final exam (Individual - 75%)
  Evaluated competences: B1, B2, B3, B4, B5, G1, G2, G11, E1, E9, E10

• **Student must develop a financial analysis of one company (concrete guidelines will be done - deadline the day of the final exam).**
  
  Case analysis (Individual - 25%)
  Evaluated competences: B1, B2, B3, B4, B5, G1, G2, G11, E1, E9, E10
- A minimum grade of 4 at the final exam is required to be included in the final grade calculation.
- The final grade will be calculated: 25% grade from case analysis + 75% grade from final exam (only if the minimum grade of 4 is achieved this part will be included)

**Repeating students without attendance: resit examination call**

- Final exam will cover all the contents.
  - Final exam (Individual - 75%)
  - Evaluated competences: B1, B2, B3, B4, B5, G1, G2, G11, E1, E9, E10

- Student must develop a financial analysis of one company (concrete guidelines will be done - deadline the day of the final exam).
  - Case analysis (Individual - 25%)
  - Evaluated competences: B1, B2, B3, B4, B5, G1, G2, G11, E1, E9, E10

Follow-up meetings

- Week 3 (Sep, 28/2018), 11:30-12:00
- Week 6 (Oct, 19/2018), 11:30-12:00
- Week 12 (Nov, 23/2018), 11:30-12:00

6. Bibliography

**Recommended readings**


7. Lecturer/s

Dr. Federico Prats Salmurri (Head lecturer) - fede.prats@htsi.url.edu
Contact hour: Fridays at 11:30 h.

Doctor.
Professor in Hospitality Management at HTSI.
Professor in Finance at ESHOB (Escola Superior Hostaleria de Barcelona).
Professor in Finance at UAO (Universidad Abat Oliba - CEU).
Professor at ESCI (UPF). International Business.
Professor in multiple in company courses

Partner & CEO at SINTETIZA CONSULTING
Corporate Director at Unico Hotels Group

Previously, worked in AGBAR Group (8 years; 3 as a Director in Brazil) and Arthur Andersen (4 years: auditing & consulting).

8. Observations

You must bring your laptop (Excel, Word, Powerpoint, internet) to all sessions. You will need it in practically every session to do tasks / exercices.