

Financial Economics Track

**Master of Science
in Corporate
Finance &
Banking**

2019-2020

Make an impact

MASTER OF SCIENCE FE Track 2019-2020

MSc in CORPORATE FINANCE & BANKING

CAMPUS	PROGRAMME	SEM.	STATUS	N°	COURSE NAME	Hours per Student	ECTS for MSc student	INCOMING DD	INCOMING & QTEM
NICE	ED	MScCORP	1	SEM	4374	Take ownership of your academic environment	2	-	-
NICE	ED	MScCORP	1	SEM	4375	Preparing yourself for learning with cases	4	-	-
NICE	ED	MScCORP	1	SEM	2742	Intercultural Seminar	9	-	-
NICE	ED	MScCORP	1	OPT	3659	Research Seminar (for Student Research Team ONLY)	30	-	-
NICE	ED	MScCORP	1	CC	764	Financial Modeling with Excel	15	2	2
NICE	ED	MScCORP	1	SEM	884	Fundamentals of Corporate Law	15	2	2
NICE	ED	MScCORP	1	CC	3476	Principles of business Taxation	15	2	2
NICE	ED	MScCORP	1	CC	3477	Advanced Financial Analysis	15	2	2
NICE	ED	MScCORP	1	CC	5655	Advanced Credit Analysis	15	2	2
NICE	ED	MScCORP	1	CC	5656	Corporate Risk Management	30	3	3
NICE	ED	MScCORP	1	CC	2753	Advanced Corporate Finance	30	3	3
NICE	ED	MScCORP	1	CC	1112	Mergers and Acquisitions, Financial Distress & Restructuring	30	3	3
NICE	ED	MScCORP	1	CC	1111	Real options	15	2	2
NICE	ED	MScCORP	1	online	5859	Bloomberg Market Concept (BMC)	-	2	2
NICE	ED	MScCORP	1	INC	173	Value, Cooperation and Trust (only for Incoming)	30	-	7
NICE	ED	MScCORP	1	LVX	1351	French course (only for Incoming & IC)	30	-	5
NICE	ED	MScCORP	1	SCC	1008 ²	TI&CD	45	7	7
						225	30	30	35

SEMESTER 2 - Concentration in Financial Management

NICE	ED	MScCORP	2	SEM	3667	Research Seminar (for Student Research Team ONLY)	15	4	4
NICE	ED	MScCORP	2	CC	368	Private Equity	30	4	4
NICE	ED	MScCORP	2	CC	1108	Advanced Corporate Strategy	15	2	2
NICE	ED	MScCORP	2	SEM	1018	Ethics and Finance	15	2	2
NICE	ED	MScCORP	2	ELE	-	Elective 1*	15	2	2
NICE	ED	MScCORP	2	ELE	-	Elective 2*	15	2	2
NICE	ED	MScCORP	2	ELE	-	Elective 3	15	2	2
NICE	ED	MScCORP	2	ELE	-	Elective 4	15	2	2
NICE	ED	MScCORP	2	SCC	1011 ²	TI&CD	45	7	7
NICE	ED	MScCORP	2	INC	2368	Researching France (only for Incoming)	30	-	7
NICE	ED	MScCORP	2	LVX	1352	French course (only for Incoming)	30	-	5
NICE	ED	MScCORP	2	FM	1113	International Accounting	30	4	4
NICE	ED	MScCORP	2	FM	2757	Structured Finance	30	3	3

OR

SEMESTER 2 - Concentration in Financial Intermediation

NICE	ED	MScCORP	2	OPT	3667	Research Seminar (for Student Research Team ONLY)	15	4	4
NICE	ED	MScCORP	2	CC	368	Private Equity	30	4	4
NICE	ED	MScCORP	2	CC	1108	Advanced Corporate Strategy	15	2	2
NICE	ED	MScCORP	2	SEM	1018	Ethics and Finance	15	2	2
NICE	ED	MScCORP	2	ELE	-	Elective 1*	15	2	2
NICE	ED	MScCORP	2	ELE	-	Elective 2*	15	2	2
NICE	ED	MScCORP	2	ELE	-	Elective 3	15	2	2
NICE	ED	MScCORP	2	ELE	-	Elective 4	15	2	2
NICE	ED	MScCORP	2	SCC	1011 ²	TI&CD	45	7	7
NICE	ED	MScCORP	2	INC	2368	Researching France (only for Incoming)	30	-	7
NICE	ED	MScCORP	2	LVX	1352	French course (only for Incoming)	30	-	5
NICE	ED	MScCORP	2	FI	3867	Banking Regulation	15	2	2
NICE	ED	MScCORP	2	FI	854	Project Finance	30	3	3
NICE	ED	MScCORP	2	FI	1121	Corporate & Investment banking : a focus on Equity Capital Market	15	2	2

* replaced by Research Seminar for Student Research Team

NICE	ED	MScCORP	3	MP	1013	Master Project	150	30	30
NICE	ED	MScCORP	3	INT	5487	Internship / Work Experience (only for IC)	-	15	15

CAMPUS	PROGRAMME	SEM.	STATUS	N°	ELECTIVES NAME	
NICE	ED	MScCORP	2	ELE	3942	Financing Entrepreneurial Ventures
NICE	ED	MScCORP	2	ELE	5553	Entrepreneurship
NICE	ED	MScCORP	2	ELE	858	Real Estate Valuation
NICE	ED	MScCORP	2	ELE	3943	Commodities
NICE	ED	MScCORP	2	ELE	3944	Leadership & Relational Growth
NICE	ED	MScCORP	2	ELE	4507	Monetary Policy and Central Banks' Watching
NICE	ED	MScCORP	2	ELE	4536	Advanced Modeling with VBA
NICE	ED	MScCORP	2	ELE	853	Private Banking
NICE	ED	MScCORP	2	ELE	4887	Financial Data Analytics
NICE	ED	MScCORP	2	ELE	4888	Start-Up Lab
NICE	ED	MScCORP	2	ELE	4969	Business game in Project Finance
NICE	ED	MScCORP	2	ELE	5377	Business game on Venture Capital
NICE	ED	MScCORP	2	ELE	6308	Solvency 2: How to Manage an Insurance Company in the 21st Century

600

105

105

70

SEMESTER 1	3
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**Syllabus to be updated*



PLEASE NOTE THAT A PRESENTATION OF THE MASTER
PROJECT & OF THE RESEARCH SEMINAR WILL TAKE PLACE ON
SEPTEMBER 2019

SEMESTER 1

MSC

20_M2_NI_FE_S1_SEM_4374: TAKE OWNERSHIP OF YOUR ENVIRONMENT (for IC & Incoming students)

SEMESTER: 1

NUMBER OF HOURS: 2

INTERNATIONAL PROGRAMME: 0 ECTS

COURSE COORDINATOR + MAIL: jeremie.laniez@edhec.edu

COURSE OBJECTIVES

This course aims at giving the newcomer students the basic knowledge to use the computers properly on the campus, especially for foreign students.

LEARNING OUTCOMES

After having taken this course, participants will be able to:

- Use the computers of the campus
- Use the library online

More specifically, participants should be able to (skill- and competency-based outcomes)

- Use Windows in French and the French keyboard
- Use MyEdhec and especially the learning platform
- Register to the online Library of the campus
- Use some important features in the Microsoft Office Suite

PREREQUISITES

None.

COURSE CONTENT

SESSION	TOPIC
1	<p>French keyboard and Windows file structure.</p> <p>Review of the services on the learning platform, how to send assignments, settings.</p> <p>Basics of the Microsoft Office Suite, online/offline versions, language settings.</p> <p>Library: Presentation & registration</p>

TEACHING & LEARNING METHODS

Lecture and practical cases in a computer room.

ASSESSMENT METHODS

None.

READING

None

20_M2_NI_FE_S1_SEM_4375: PREPARING YOURSELF FOR LEARNING WITH CASES (For IC & Incoming students)

SEMESTER: 1

NUMBER OF HOURS: 4

INTERNATIONAL PROGRAMME: 0 ECTS

COURSE COORDINATOR: Penny Jarvis jarvispenny@gmail.com

COURSE OBJECTIVES

This course enables students to understand the relevance of the case study methodology both in class work and future recruitment scenarios. It teaches the theory and enables students to practice one or more case studies

The objective is :

- Provide an overview of the theory of case studies
- Prepare students so that they perform to their highest ability during case study projects
- Explain the use of case studies in future recruitment

LEARNING OUTCOMES

After having taken this course participants should be able to:

- Understand how to read the case study efficiently
- Employ critical reasoning to analyse case studies
- Understand how to write up case study reports
- Understand how to impress future recruiters by being able to perform well in case study exercises

PREREQUISITES

Students should recognize the importance of this course in preparing them for case study use in the classroom
They should pre-watch the HBR video explaining the theory of case studies before the course

COURSE CONTENT

SESSION	TOPIC
1	Introduction to Case Study Methodology and Critical Reasoning
2	Individual Case Presentation Example
3	Group Case Presentation Example
4	Group Case Class Example

TEACHING & LEARNING METHODS

Teaching Method- Action Learning (theory, practice, then feedback)

ASSESSMENT METHODS

None

RECOMMENDED READING

HBR class notes on Blackboard

20_M2_NI_FE_S1_SEM_2742: INTERCULTURAL SEMINAR

SEMESTER: 1

NUMBER OF HOURS: 9

INTERNATIONAL PROGRAMME: 0 ECTS

COURSE COORDINATOR + MAIL: Anne WITTE

COURSE OBJECTIVES

This seminar aims at building cultural awareness and developing the cognitive and behavioural abilities to communicate effectively across cultures particularly for students pursuing careers in finance. Four learning objectives are pursued:

- Become acquainted with key concepts used in intercultural communication
- Gain practical experience with diversity by working in international teams effectively and productively
- Question stereotypes through heightened cultural awareness
- Practice coping strategies when confronted with unfamiliar cultural environments

LEARNING OUTCOMES

After having taken this course, participants will be able to/are expected to know or understand (knowledge-based outcomes):

- LO1 The main theories of culture and diversity
- LO2 How these theories apply to the self and to others

More specifically, participants should be able to (skill- and competency-based outcomes):

- LO3 Work with persons of different cultural backgrounds
- LO4 Anticipate the specific adaptations that may be required in diverse environments
- LO5 Refrain from harsh judgement and stereotyping

PREREQUISITES

Three years of general business courses or Bac + 3 Business Administration.

Proficiency in English

A background communication course can be helpful

COURSE CONTENT

Session 1 - Language, Stereotypes and diversity /The Meaning Market Simulation

Reading: Triandis, Harry C (2002) Subjective Culture in *Online Readings in Psychology and Culture*, 2(2).

<http://dx.doi.org/10.9707/2307-0919.1021>

Session 2 - Country Analysis: The Royal Dutch Gazelle Bicycle Case

See the following TED Talk by the author of « *Sapiens* » and “*Homo Deus: A Brief History of Tomorrow* », Yuval Noah Harari, (February 2017) « *Nationalism vs. Globalism: the new political divide*” at

https://www.ted.com/talks/yuval_noah_harari_nationalism_vs_globalism_the_new_political_divide?language=en#t-307692 & Hofstede, G. (2011). Dimensionalizing Cultures: The Hofstede Model in Context. *Online Readings in Psychology and Culture*, 2, (1) <http://dx.doi.org/10.9707.0919.1014>

Psychology and Culture, 2, (1) <http://dx.doi.org/10.9707.0919.1014>

Session 3 - Analyzing Cultures vs Individuals: Diversity

Reading: Laroche, M., Vinhal, M. Huang, L. Richard, Marie-Odile (2011) “What’s so Funny?: The Use of Humor in Magazine Advertising in the United States, China and France, *Journal of Advertising Research*, June. Doi 10.2501/JAR-51-2-404-416. Enter the EDHEC online library Nice and then click: <https://bibliopam.univ-catholille.fr/url?https://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=61870878&lang=fr&site=eds-live&scope=site>

<https://bibliopam.univ-catholille.fr/url?https://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=61870878&lang=fr&site=eds-live&scope=site>

TEACHING & LEARNING METHODS

Seminar style interaction, games and self-discovery exercises

ASSESSMENT METHODS

Final Quiz 100% (30 minutes). This course issues a PASS/FAIL on the transcript. Absences to the exam can be compensated by presence for the entire course and active participation. Absences to the course can be compensated by a PASS grade on the exam (more than 10).

READING

See course Content.

MSC

20_M2_NI_CFB_S1_CCO_764: FINANCIAL MODELING WITH EXCEL *

SEMESTER: 1

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Stéphanie JALABERT

COURSE OBJECTIVES

“Financial Modeling with Excel” is designed for students and finance professionals who need to design, propagate and maintain financial models. Despite business intelligence software’s inroads into corporations, Excel remains the premier choice in accounting and finance departments, and among professional service firms, thanks to its flexibility.

This course builds on advanced Excel functions with a view to producing financial statements, performance scorecards, or spreadsheets to analyze business and support decision. Typical situations involving modeling techniques include business plans for start-ups, forecasts for established business, capital budgeting, mergers & acquisitions, leverage buyouts, corporate restructuring, etc.

LEARNING OUTCOMES

After having taken this course participants should be able to:

- Analyze financial problems, sift through complex data sets and decide on model design options;
- Create spreadsheet models and dashboards that represent variables and logical and quantitative relationships between them;
- Apply judgment on model output, present & defend alternatives, and make business recommendations to senior management.

PREREQUISITES

Students should be familiar with basic Excel functions and financial analysis concepts. Exercises will provide ample opportunities to review financial statements, and corporate finance notions in valuation, CAPEX/Depreciation, Working Capital, Equity accounts, Debt/Amortization, Tax, and Cash Flows.

Students MUST complete the on-line module including advanced Excel exercises, financial, logical, lookup & reference, and date & time functions.

COURSE CONTENT

Module #	Time	Topics	Type of course	Content	Requirements
Pre assignment		Prerequisite work to complete	Self-paced e-learning	<ul style="list-style-type: none"> ▪ Introduction to advanced Excel features. ▪ Time-value of money, Financial functions. 	<ul style="list-style-type: none"> ▪ Excel skills: creating a template, using basic functions and graphs. ▪ Corporate Finance fundamentals.
#1	1 h	Essentials on Financial Modeling	In-class lecture	<ul style="list-style-type: none"> ▪ Introduction to spreadsheets and financial models. ▪ Preparing for modeling. ▪ Modeling best practices. 	<ul style="list-style-type: none"> ▪ Prerequisite assignment.
#2	5 h	Additional advanced functions	Self-paced e-learning	<ul style="list-style-type: none"> ▪ Logical functions ▪ Lookup & Reference functions ▪ Date & Time functions 	<ul style="list-style-type: none"> ▪ Prerequisite assignment.
#3	3 x 3 h	Spreadsheet exercises – lab sessions	In-class Excel exercises	<ul style="list-style-type: none"> ▪ Financial Planning & Forecasting ▪ Capital Budgeting & Project Finance ▪ Corporate Valuation 	<ul style="list-style-type: none"> ▪ Modules 1 & 2

TEACHING & LEARNING METHODS

2 self-paced e-learning sessions (1 pre enrollment, module #2), 1 lecture & 3 lab sessions.

ASSESSMENT METHODS

ASSESSMENT	NATURE	% OF THE TOTAL MARK	DETAILS	DURATION	LEARNING OUTCOME EVALUATED
Final examination	Group project	100%	Case to be handed at end of course		

SUGGESTED READING (not mandatory)

“Financial Modeling”, Simon Benninga, The MIT Press; fourth edition (April 18, 2014)

MASC

20_M2_NI_CFB_S1_CCO_LAW_884: FUNDAMENTALS OF CORPORATE LAW

SEMESTER: 1

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Frank FAGAN, frank.fagan@edhec.edu

COURSE OBJECTIVES

All corporate entities operate within complex legal environments. This course introduces students to the evaluation and management of legal risks and opportunities within those environments.

LEARNING OUTCOMES

After having taken this course, participants will be able to/are expected to know or understand:

- Basic concepts of civil, criminal, and regulatory liability for corporations and corporate management
- How law enables value creation and value destruction within the firm

More specifically, participants should be able to:

- Identify cross-border legal risks for corporate entities
- Develop basic strategies of value creation by leveraging law and legal environments

PREREQUISITES

None.

COURSE CONTENT

SESSION	TOPIC
1	The Global Legal Environment of the Business Corporation
2	Corporate Liability vs. Legal Risk Management
3	Corporate Legal Strategy
4	Corporate Social Responsibility
5	Compliance

TEACHING & LEARNING METHODS

Socratic method.

ASSESSMENT METHODS

ASSESSMENT TYPE	% OF THE TOTAL MARK	DURATION	LEARNING OUTCOMES EVALUATED
Final Exam	100		All

READING

A case book will be provided.

20_M2_NI_CFB_S1_CCO_FIN_3476: PRINCIPLES OF BUSINESS TAXATION

SEMESTER: 1

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Dominique G. BOURSEREAU, dgboursereau@gmail.com

COURSE OBJECTIVES

With the swift growth of international trade and cross-border direct and financial investments, globalization has become a key feature of the current world. Hence, this course is meant to provide students with a good knowledge of the tax implications of doing business internationally.

LEARNING OUTCOMES

After having taken this course, participants will be able to/are expected to know or understand (knowledge-based outcomes):

- Assimilate and understand the main international tax rules. (LO1)

More specifically, participants should be able to (skill- and competency-based outcomes):

- On occasion, apply these rules in different geographic, business, and legal environments. (LO2)
- Possibly, contribute to the conception and implementation of creative tax planning solutions. (LO3)

PREREQUISITES

None

COURSE CONTENT

SESSION	TOPIC
1	BASIC CONCEPTS
2	TAXATION OF DIFFERENT BUSINESS FORMS
3	TAXATION OF DIFFERENT BUSINESS FORMS (continued)
4	TAXATION OF DIFFERENT BUSINESS FORMS (continued) / TAXATION OF GROUPS
5	TAXATION OF CORPORATE REORGANIZATIONS / SOME TAX PLANNING STRATEGIES AND LIMITS

TEACHING & LEARNING METHODS

Interactive in-class lectures

ASSESSMENT METHODS

ASSESSMENT TYPE	% OF THE TOTAL MARK	DURATION	LEARNING OUTCOME EVALUATED
Final exam	100%	1.5 hour	LO1, LO2, possibly LO3

20_M2_NI_CFB_S1_CCO_FIN_3477: ADVANCED FINANCIAL ANALYSIS

SEMESTER: 1

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Moïse LOUISY-LOUIS, moise.louisylouis@edhec.com

COURSE OBJECTIVES

The purpose of the course is to enhance knowledge of financial reporting practices of public companies. Building on the insights gained in previous accounting courses, this course focuses on financial reports drawn up in conformity with IFRS as well as those reporting under US GAAP.

Specifically, this course consists of two main parts which are intertwined with each other and related to previous courses as well, without overlapping with them: The first part of the course deals with an in-depth overview of financial statement analysis in which the key aspects of a firm's financial position (i.e. its profitability, liquidity and solvency) are reviewed and further elaborated upon. The second, and main, part of the course comprises a selection of financial accounting related topics that are considered to be of general interest, highly relevant to investors and other stakeholders, and too complex to fully understand during introductory and intermediate financial accounting and financial analysis courses.

The course is designed to ensure a deeper understanding of financial statement analysis and to analyse these specific reporting topics in a thorough and adequate manner. The target of the financial statement analysis aspect of the course is to read between the lines and to appreciate the accounting 'optimization' and/or tricks, through accounting "window dressing." The course focuses on specific financial reporting items, including but not restricted to the use of accounting numbers in contracts, employee benefits, deferred taxes, fair value accounting, M&A accounting, forensic accounting, and revenue recognition of complex transactions. These financial reporting topics will be discussed in detail by means of HBS case studies or/and other material which require careful reading and preparation by the students before coming to class.

LEARNING OUTCOMES

After having taken this course, students will be able to/are expected to know or understand:

- Obtain a critical review of financial statement analysis and certain specific and complex reporting items, in order to allow them to make informed decisions concerning investments, lending decisions, audit decisions, etc...
- Assess companies that are in financial distress using financial statement analysis,
- Evaluate the potential for earnings manipulation and managerial opportunism under IFRS, and
- Treat complex accounting items, such as revenue recognition of long-term contracts, goodwill, employee benefits, fair value of assets, income taxes, M&A, and off-balance sheet transactions

PREREQUISITES

Sound knowledge of the fundamentals of financial accounting and financial statement analysis is required.

COURSE CONTENT

SESSION	TOPIC
1	Overview of key FSA concepts: profitability, liquidity, and solvency
2	Debt contracts, Non-GAAP measures, Lease accounting
3	Taxes, M&A, Off-balance sheet issues
4	Financial Statement Detective Game
5	Miscellaneous topics including weak accounting, earnings management, and fraud examples

TEACHING & LEARNING METHODS

The course will involve several teaching and learning methods:

- in-class lectures;
- case studies and real-world examples;
- class discussions

Students are strongly encouraged to test their comprehension through reading and analyzing financial statements and to actively participate in the lectures and seminars/case discussions.

ASSESSMENT METHODS

ASSESSMENT TYPE	% OF THE TOTAL MARK	DURATION	LEARNING OUTCOME EVALUATED
Group assignment	20%	N/A	Specific items
Final exam	80%	2h	Comprehensive

READING

Learning materials will be based on book chapters, slides, cases and financial press. Materials details will be provided in class and/or posted on Blackboard.

Recommended:

- Robinson R. T., Henry E., Pirie L. W., Broihahn A. M., (2015). *International Financial Statement Analysis*. 3rd Edition. Wiley (CFA Institute Investment Series). Paper or E-Book version.
If a newest edition were released by the beginning of the course, students would be encouraged to use the newest version. Previous edition of the book are still valuable too.
- Kieso D., Weygandt J., & Warfield T. (2011). *Intermediate Accounting*. IFRS Edition. Volumes 1 & 2. John Wiley & Sons.
If a newest edition were released by the beginning of the course, students would be encouraged to use the newest version.

Other supplementary content and course material (recommended)

- IFRS Foundation (2016). *A guide through IFRS* ("Green Book").
If a newest edition were released by the beginning of the course, students would be encouraged to use the newest version.
- Penman N. S. (2012). *Financial Statement Analysis and Security Valuation*. 5th Edition. McGraw-Hill Education.
If a newest edition were released by the beginning of the course, students would be encouraged to use the newest version.
- Petersen C., Plenborg T. (2012). *Financial Statement Analysis: Valuation, Credit Analysis, Executive Compensation*. Pearson Education.
If a newest edition were released by the beginning of the course, students would be encouraged to use the newest version.
- Schilit H., Perler J. (2010). *Financial Shenanigans*. 3rd Edition. McGraw-Hill Education.
If a newest edition were released by the beginning of the course, students would be encouraged to use the newest version.
- Articles from Financial Times, The Economist and Wall Street Journal.

Useful websites (for additional material):

- IASB website: <http://www.ifrs.org/>
- IFRS material (free access) could be found at: <http://www.ifrs.org/IFRSs/Pages/IFRS.aspx>
- IFRS learning resources: <https://www.ifrs.org/students/>
- IAS Plus: <http://www.iasplus.com/en>
- IVSC: <https://www.ivsc.org/>

20_M2_NI_CFB_S1_CCO_5655: ADVANCED CREDIT ANALYSIS

SEMESTER: 1

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Barbara COHEN

COURSE OBJECTIVES

The goals of the course are:

- to enhance analytic skills needed to identify early warning signals of credit deterioration based on a critical review of a company's cash flow generation analysis,
- to familiarize with the main concept used in credit analysis (ratings, default probability, debtholder's protection, capital structure, subordination...).

LEARNING OUTCOMES

- How a company's business and financing activities are reflected in its financial statements
- Understand a glossary of common financial terminologies specific to the credit market
- Apply a structured approach to assess the creditworthiness of a corporate borrower
- Explore causes of distress, early warning signals

More specifically, participants should be able to (skill- and competency-based outcomes)

- Use a cash flow approach to ascertain a company's ability to service and refinance its debt as it comes due
- Understand a layered capital structure

PREREQUISITES

Sound knowledge of the fundamentals of financial accounting and financial statement analysis is required

COURSE CONTENT

SESSION N°	DURATION	TOPIC	TYPE OF GROUP (P – P/)	CONTENT
1	3	Introduction		Review of the key concepts : ratings, debt seniority, solvency and going concern/ gone concern, recovery value vs enterprise value,
2 & 3	6	Business & Financial profile		Critical review of cash flow generation. Sector approach and company / business maturity. Specific retreatments. The session will end with a "who is who"
4	3	The capital structure		We will talk on the layered capital structure (seniority of the different instruments issued)
5	3	Case study presentation & discussion	5/6	Working on real cases, students will present the main outcomes of the "going concern" and "gone concern" situations

TEACHING & LEARNING METHODS

During lectures, both theory and real cases will be used. For each part (lectures and case study presentations), students are required to actively participate.

A "who is who" game will be prepared in advance and will be used to discuss and illustrate the lecture.

The case study will be prepared in advance, and a few of them will be presented.

20_M2_NI_CFB_S1_CCO_5656: CORPORATE RISK MANAGEMENT

SEMESTER: 1

NUMBER OF HOURS: 30

INTERNATIONAL PROGRAMME: 3 ECTS

COURSE COORDINATOR + MAIL: Professor Enrique SCHROTH, enrique.schroth@edhec.edu

COURSE OBJECTIVES

This course builds on the fundamental notions of corporate finance and financial derivatives markets to answer what a corporate financial manager, e.g., the Treasurer, CFO, must do to change the firm's financial risk and increase shareholder value. The course discusses the main types of financial risks that corporates may face, how to measure them and reduce their impact on firm value for a strategic and comprehensive approach.

LEARNING OUTCOMES

After having taken this course, participants will be able to:

- have a deep understanding of the use of classical instruments of risk management;
- be able to determine the conditions under which hedging increases firm value;

More specifically, participants will be able to:

- construct financial or operational hedges for individual risk exposures;
- devise global risk management policies for firms exposed to multiple risks.

PREREQUISITES

This course requires working knowledge of corporate finance, financial accounting and statistics.

COURSE CONTENT

SESSION	TOPIC
1	Why hedge? An introduction to the modern theory of Corporate Risk Management.
2	Measuring risk with Var and CaR; Case Study: Hedging Policy at Merck, Inc.
3	Managing Foreign Exchange Risk using Futures; FOREX exposures and hedging policies.
4	Hedging Risk Exposures with Options; Case Study: Jet Blue.
5	Hedging Interest Rate Risk Exposures; Case Study: Hedging at Porsche.
6	Risk management in the Real World; Case Study: Rothmans, Inc.
7	Enterprise Risk Management; Case Study: Eliminating the Gold Hedging Strategy at Barrick.
8	Risk management in Banks; Operational Risk. Case Study: General Motors Competitive Exposures.
9	Case Study: JP Morgan & The London Whale; Case Study: Goldman Sachs in Lybia.
10	Distinguished Guest Lecture; Speaker TBA.

TEACHING & LEARNING METHODS

This course combines lectures and their application to the practice with in-class exercises and real-life case studies. Students are expected to prepare case studies in advance. The two marked *Quizzes* will combine conceptual questions, numerical exercises and multiple-choice questions. Groups of five students will work through an assigned *Group Case Study*, announced on Session 1, and prepare a written manuscript with the proposed solution to the problem. The three-hour comprehensive individual exam will cover all the materials: Lecture Notes, Case Studies and selected readings.

ASSESSMENT METHODS

ASSESSMENT TYPE	% OF THE TOTAL MARK	DURATION	LEARNING OUTCOME EVALUATED
Quiz 1	10%	20 minutes	All material up to Session 4
Quiz 2	10%	20 minutes	All material from Sessions 5 to 8
Group Project	30%	Take home	Solving an assigned Case Study
Individual Exam	50%	3 hours	All material

READING

The Lecture slides and the case studies contain most of the relevant material for this course. Any relevant supplemental material, such as book chapters or selected articles that are discussed in class will be posted in the course website.

MSC

20_M2_NI_CFB_S1_CCO_FIN_2753: ADVANCED CORPORATE FINANCE

SEMESTER: 1

NUMBER OF HOURS: 30

INTERNATIONAL PROGRAMME: 3 ECTS

COURSE COORDINATOR + MAIL: Hamid BOUSTANIFAR, PhD. Hamid.boustanifar@edhec.edu

COURSE OBJECTIVES

Advanced Corporate Finance provides students with an advanced and rigorous background in mainstream issues in modern corporate finance. This is an applied course in which students will learn how firm policies affect firm value and then will have to apply all those techniques to suggest optimal firm policies for a “real” firm.

LEARNING OUTCOMES

After having taken this course, participants will be able to/are expected to know or understand (knowledge-based outcomes):

- Understand the implications of modern finance theory for practical corporate finance issues including capital structure decisions, dividend policy, share repurchases, M&As, and IPOs.
- Understand the perspectives of corporate managers, shareholders, and other stakeholders in key financial decisions

More specifically, participants should be able to (skill- and competency-based outcomes):

- Develop analytical skills to evaluate complex corporate finance decisions
- Develop analytical skills to examine the effect of different policies on firm value

PREREQUISITES

Valuation

Corporate Finance

COURSE CONTENT

SESSION	TOPIC
1 and 2	Advanced Valuation
3 and 4	IPOs
5 and 6	Capital Structure
7 and 8	Pay-out Policies
9 and 10	Mergers and Acquisitions

TEACHING & LEARNING METHODS

In-class lectures, case studies, group work

ASSESSMENT METHODS

ASSESSMENT TYPE	% OF THE TOTAL MARK	DURATION	LEARNING OUTCOME EVALUATED
Group project	40%	-	LO1-4
Individual exam	60%	3 hours	LO1-4

READING

Lectures notes

Assigned case studies and articles

20_M2_NI_IAF_S1_CCO_1112: MERGERS AND ACQUISITIONS, FINANCIAL DISTRESS AND RESTRUCTURING

SEMESTER: 1

NUMBER OF HOURS: 30

INTERNATIONAL PROGRAMME: 3 ECTS

COURSE COORDINATOR + MAIL: Frédéric JACQUET, frederic.jacquet@edhec.com

COURSE OBJECTIVES

The objective of this Course is to gain proficiency regarding the key strategic, financial and legal issues of M&A deals.

LEARNING OUTCOMES

After having taken this course, participants should be able to:

- Drive and customize an M&A process to a specific situation,
- Perform Company Valuation in an M&A environment,
- Understand M&A deal structuring drivers, as well as M&A transaction legal concepts,
- Understand Purchase Price Allocation and consolidation of an M&A transaction.

PREREQUISITES

Before attending the course, participants shall have a good understanding of accounting principles (understanding P&L, BS, Cash-flow statements and consolidation principles), and basic financial analysis.

COURSE CONTENT

SESSION	TOPIC
1. e-learning / 4 hours	Valuation: relative methods (multiples), intrinsic methods (DCF), Net Debt items
2. In-Class Case Study / 4 hours	Case Study Part 1: sell-side mandate & valuation of Company X
3. e-learning / 4 hours /	M&A structuring (total or partial acquisition, put & call options, Earn-out, share or cash payment), IFRS3 & consolidation of M&A transactions, Representations and Warranties
4. In-Class Exercises / 4 hours	Deals example case studies: structuring and consolidation
5. In-Class Case Study / 4 hours	Deals example case studies: Public deals
6. In-Class Case Study / 4 hours	Case Study Part 2: Buy-side offer (LOI Letter Of Intent)
7. In-Class Case Study / 4 hours	Case Study Part 3: negotiating the Firm Offer
8. Lecture / 2 hours	Course recap & exam preparation

TEACHING & LEARNING METHODS

The teaching will be based on the flipped-classroom model, a mix of:

- E-learning sessions and Self-paced exercises
- In-Class exercises and case studies (students will form groups of 4 to 6 and will deal with M&A issues in a real-life environment).

ASSESSMENT METHODS

ASSESSMENT TYPE	% OF THE TOTAL MARK	DURATION	LEARNING OUTCOME EVALUATED
Final exam (closed-books)	70%	2 hours	Course content
Class participation & cases	30%	Permanent (5 submissions)	Know-how & participation

READING

Compulsory: course manuals on BlackBaord

20_M2_NI_CFB_S1_CCO_FIN_1111: REAL OPTIONS

SEMESTER: 1

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Claus HIRZMANN, claus.hirzmann@strategic-finance.eu

COURSE OBJECTIVES

This course is about "competitive strategies for investing in innovation and agility - Real Options". To remain competitive in an ever faster paced world, companies need to constantly rejuvenate themselves: they need to explore innovative business opportunities, develop quickly the promising ones and exploit efficiently the newly developed businesses. Real Options are instrumental for the relating strategic investment decisions. The course provides participants with concretely applicable know-how about Real Options valuation and the underlying mindset.

LEARNING OUTCOMES

Participants will understand the underlying concepts and mindset, such as to be able to call for the application of Real Options when appropriate.

Participants will get concrete know-how about the method such as (a) to understand and trust the calculations, (b) to be able to apply the Real Options method for many fundamental cases or to manage the outsourcing for more complex cases.

After having taken this course, participants will be able to/are expected to know or understand (knowledge-based outcomes):

- the Real Options mindset,
- valuation techniques for taking optimized investment decisions in innovation, M&A, operational agility etc.

More specifically, participants should be able to (skill- and competency-based outcomes):

- analyse whether a classic NPV valuation or a Real Options valuation best matches given circumstances,
- evaluate and manage business projects about innovation, M&A, operational agility etc. by using Real Options.

PREREQUISITES

Knowledge about Free-Cash Flows (FCF), corporate discount rate (WACC) and classic NPV calculation.

COURSE CONTENT

SESSION	TOPIC
1	Introduction: The value of uncertain deals and the management of uncertainty. The mindset of Real Options, investment strategies, discussion of industrial examples.
2	Financial Options: Valuation techniques
3	Real Options: How to transpose financial option valuation techniques to real business cases? Elementary Real Options: Case examples and valuation exercises
4	Advanced Real Options: Investing in innovation projects or M&A.
5	Advanced Real Options: Investing in operational agility.

TEACHING & LEARNING METHODS

The teaching approach combines lecturing and role-plays with multiple in-class exercises and offline case studies. → Calculator or Laptop required for in-class exercises!

ASSESSMENT METHODS

ASSESSMENT TYPE	% OF THE TOTAL MARK	DURATION	LEARNING OUTCOME EVALUATED
Final Exam - individual	100%	1.5h	Ability to apply Real Options to the valuation and management of uncertain business projects

20_M2_NI_FE_S1_CCO_5859: BLOOMBERG MARKET CONCEPTS (BMC)

SEMESTER: 1

NUMBER OF HOURS: -

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Bloomberg Market Concepts is a self-guided digital learning course

COURSE OBJECTIVES

Bloomberg Market Concepts (BMC) is a 10-hour, self-paced e-learning course that provides an interactive introduction to the financial markets. BMC consists of 5 modules—Economic Indicators, Currencies, Fixed Income, Equities, and Getting Started on the Terminal—woven together from Bloomberg data, news, analytics and television. Using the BMC digital courseware as a course companion frees up class time for more advanced topics.

LEARNING OUTCOMES

Learn the language of finance

- Supplement your university learnings with practical knowledge of the markets
- Familiarize yourself with over 70 Bloomberg Terminal functions

Discover the inner workings of the markets

- Learn what moves markets
- Familiarize yourself with key benchmarks that professionals monitor

Get Bloomberg on your resume

- Receive a certificate of completion after completing BMC
- Demonstrate your comfort with the gold standard data platform

COURSE CONTENT

THE MODULES

- Economic Indicators,
- Currencies,
- Fixed Income,
- Equities,
- and Getting Started on the Terminal

ASSESSMENT METHODS

All learners receive a certificate of completion after finishing all modules which can be used as a micro-credential on their résumés.

The course is considered as passed or failed, but no numerical grade is recorded for the course. Credits may be awarded for the course, but it does not count towards the student's overall average.

20_M2_NI_FE_S1_CCO_HUM_INCOMNODD_173: VALUES, COOPERATION AND TRUST (for Incoming students)

SEMESTER: 1

NUMBER OF HOURS: 30

INTERNATIONAL PROGRAMME: 7 ECTS

COURSE COORDINATOR + MAIL: Anne WITTE

COURSE OBJECTIVES

The course proposes a comparative analysis of world cultures from the perspective of values and values change drawing essentially from the World Values Surveys. By investigating how different value systems generate economic behaviour and sustain political frameworks, it is possible to evaluate critically those that respond well or less well to competition, capitalism and social justice.

LEARNING OUTCOMES

After having taken this course, participants will be able to/are expected to know or understand (knowledge-based outcomes)

- Lo1 Values theory and the implications of these theories on businesses and society
- L02 The moral, historical and cultural factors impacting economies over history

More specifically, participants should be able to (skill- and competency-based outcomes)

- L03 Evaluate the impact of public and private institutions (education, courts, religion) on economic outcomes and the ability to generate human, cultural and social capital
- L04 Take a critical perspective on how cultural, social and ethical priorities of societies have enduring impact on economic behavior and the organization of trade

PREREQUISITES

Three years of general business courses or Bac + 3 Business Administration.

COURSE CONTENT

SESSION	TOPIC
1	Definitions of Key Concepts: Values, Cooperation & Trust
2	Measuring & Testing in the Social Sciences – the political survey + reading discussion
3	Comparative moralities+ reading discussion
4	Trust (at different aggregates of the economy) + reading discussion
5	Culture & values+ reading discussion
6	Social Capital+ reading discussion
7	Political Systems and Values+ reading discussion
8	Economic Systems and Values+ reading discussion
9	Final Presentations
10	Final Presentations

TEACHING & LEARNING METHODS

Lecture, Reading, Cases, Discussion

ASSESSMENT METHODS

ASSESSMENT	% OF THE TOTAL MARK	DURATION	LEARNING OUTCOME EVALUATED
Participation & Speed Talk	40	Semester	1,2
Final Oral	40	20 minutes	3,4

Final Exam	20	60 minutes	3,4
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COMPULSORY READING

- Hills, M. D. (2002). Kluckhohn and Strodtbeck's Values Orientation Theory. *Online Readings in Psychology and Culture*, 4(4). <http://dx.doi.org/10.9707/2307-0919.1040>
- S. Schwartz (2010) An Overview of the Schwartz Theory of Basic Values, *Online Readings in Psychology and Culture*, 2(1). <http://dx.doi.org/10.9707/2307-0919.1116>
- Inglehart, R. & Baker, W. (2000) Modernization, Cultural Change and the Persistence of Traditional Values, *American Sociological Review*, 65,1, pp. 19-51.
- Roberts, B. & Robins, R. (2000) "Broad Dispositions, Broad Aspirations: The Intersection of Personality Traits and Major Life Goals," *PSPB*, Vol 26 (10): 1284-1296.

MMS

20_M2_NI_FE_S1_LVX_LV2_FLE_INCOMINGNODD_1351: FRENCH COURSE (For IC & Incoming students)

SEMESTER: 1

NUMBER OF HOURS: 30

INTERNATIONAL PROGRAMME: *see page 2*

COURSE COORDINATOR + MAIL: Elizabeth DICKSON, elisabeth.dickson@edhec.edu

COURSE OBJECTIVES

Acquérir le niveau "intermédiaire ou de survie" en langue anglaise tel que défini par le CECRL.
 Se débrouiller dans les situations simples de la vie quotidienne.

LEARNING OUTCOMES

- Connaître la France, sa culture, ses régions.
- Saluer, remercier, féliciter, prendre congé, s'informer.
- Se présenter, présenter quelqu'un.
- Parler d'activités quotidiennes simples, comme les loisirs.
- Parler de sa famille.
- Demander un prix, l'heure, une direction.
- Comprendre des documents simples et usuels.
- Communiquer dans des situations liées aux voyages.
- Faire ses courses.

PREREQUISITES

Aucun prérequis.

COURSE CONTENT

- Saluer, se présenter, présenter quelqu'un.
- Les chiffres – demander un prix.
- L'emploi du temps : les jours de la semaine, l'heure.
- Décrire sa famille – les professions.
- Les loisirs – les activités culturelles.
- Faire ses courses - les aliments.

TEACHING & LEARNING METHODS

- Pédagogie de la tâche, telle que définie par le CECRL.
- Documents authentiques : extraits d'articles, chansons, documents audiovisuels d'actualité ou de fiction.
- Sites web.
- Documents multimédias disponibles sur la plateforme Blackboard.
- Approche inductive de la grammaire (exemples en situation puis identification et théorisation par l'apprenant).
- Exercices en situation : jeux de rôles plus ou moins dirigés, débats, simulations de réunions.
- Alternance de travail individuel et travail de groupe.

ASSESSMENT METHODS

ASSESSMENT TYPE	% OF THE TOTAL MARK	DURATION	LEARNING OUTCOME EVALUATED
Participation	30%		
Contrôle continu	70%		

READING

Articles de la presse régionale ou gratuite.

SEMESTER 2

MSC

20_M2_NI_CFB_S2_CCO_368: PRIVATE EQUITY /Core Course

SEMESTER: 2

NUMBER OF HOURS: 30

INTERNATIONAL PROGRAMME: 4 ECTS

COURSE COORDINATOR + MAIL: Cyril DEMARIA cyril.demaria@gmail.com & Jean-François HELFER jfhelfer@yahoo.fr

COURSE OBJECTIVES

Knowing what venture capital, growth capital, leveraged buy-out, turnaround/restructuring and mezzanine financing are used for is a must for future managers. Understanding what private equity financing implies, delivers and does not provide is also determinant, especially given the growing influence of this sector of the global economy.

LEARNING OUTCOMES

After having taken this course participants will be able to:

- understand the context of the intervention of private equity funds and their constraints
- identify which financing technique fits corporate needs and actively manage relationships with private equity funds
- understand how to select and invest in private equity funds and/or companies
- understand the methods, processes and dynamics involved in structuring transactions and apply the financial structuring of a buy-out transaction

PREREQUISITES

Participants should have passed and are encouraged to review their accounting, valuation (in particular DCF, multiples), M&A and corporate finance classes to prepare for this course.

COURSE CONTENT

SESSION	TOPIC
7 h	Private equity: a business framework
8 h	LBO: theory and application (structuring, due diligence, valuation, value creation, exit)
5 h	PE fund structuring and operations, investors and fund managers perspectives
9 h	Business cases (six)
3 h	Live competition

TEACHING & LEARNING METHODS

Combination of lectures, students' presentations, use of case studies, practical exercises and active sessions of Q&A.

ASSESSMENT METHODS

ASSESSMENT TYPE	% OF THE TOTAL MARK	DURATION	LEARNING OUTCOME EVALUATED
Case presentation	50	20 mn + 20 mn Q&A	LO1, LO2, LO3
Final exam	50	3 hours	LO1, LO2, LO3, LO4

Individual bonuses might be given to students with active and relevant participation in class.

READING

Demaria, C. (2019) Introduction to Private Equity, Private Debt and Private Real Assets (John Wiley & Sons)

20_M2_NI_CFB_S2_CCO_FIN_1108: ADVANCED CORPORATE STRATEGY /Core Course

SEMESTER: 2

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Karin KOLLENZ-QUETARD, karin.kollenz@edhec.edu

COURSE OBJECTIVES

The course 'Advanced Corporate Strategy' focuses on topical issues in corporate strategy that are relevant for managers in the financial industry and the function of finance within corporates. Strategic decisions within corporates are always taken in cooperation with Finance (as a function) and very often their implementation depends on the support from the financial industry and financial markets. Consequently, the long-term objective of this course is to enhance and smoothen corporate strategy-making by sensitizing future key actors in this process.

The key topics to be covered in this course are

- Managing innovation, multiple business-models and product portfolios
- Leading through digital transformation and change
- Succeeding in view of the changing rules of competition: coopetition, platforms, eco-systems, oligopolies...

LEARNING OUTCOMES

After having taken this course, participants will be able to/are expected to

1. Understand the managerial & financial challenges of managing innovation & digital transformation and be aware of several frameworks, rules and guidelines that help to overcome these
2. Understand how and why industry structures / eco-system constellations offer varying opportunities for firms to achieve competitive advantage and thus profitability; and how some companies succeed in building eco-systems and changing industry structures

More specifically, participants should be able to

3. Play an active role in the strategy-making process of their future companies and clients
4. Take a holistic (that is strategic, long-term) view on investment decisions in the context of innovation and digital transformation

PREREQUISITES

Strategic Management (M1) or equivalent course at another university

COURSE CONTENT

SESSION N°	DURATION	TOPIC	TYPE OF COURSE	TYPE OF GROUP (P - P/)	CONTENT	PREPARATORY WORK	SOFTWARE
1	3h	Eco-system development; Strategic options; Value creation vs. value capture	Case study discussion, Interactive lecture, group work	P/6	Applying key concepts for strategic & investment decisions Understanding and evaluating eco-system development; coopetition	Read Case Study <i>Spotify: Face the Music</i> and prepare case questions	NA
2	min. 3h	Managing Innovation & Product portfolios I	E-learning: online simulation, selected	Online	Play test scenario of online simulation;	Read introduction to simulation & research	Access to online simulation will be provided

			innovation theories & group work		prepare case presentation in small groups	case for group work	
3	3h	Why innovations & successful companies fail	Group case presentation & application of theories around innovation	P/6	Apply frameworks to explain and overcome main challenges of innovation	Presentation of cases by groups	No
4	3h	Managing Innovation & Product portfolios II	E-Learning: Online Simulation; (Debrief of simulation during virtual class of 1h)	Online	Play online simulation and write essay about learnings	NA	As for session 2
5	3h	Responding to technological and business model disruption	Case study discussion and in-class lecture	P/6	Business Model Innovation; Direct-to-consumer BM, Strategic options for responding to disruption	Read Dollar Shave Club Case Study and prepare case questions	NA

TEACHING & LEARNING METHODS

This course will involve the following learning methods:

- Online simulation
- Case study discussions
- Short in-class lectures
- Experience sharing
- Short case presentations

ASSESSMENT METHODS

ASSESSMENT	NATURE	% OF THE TOTAL MARK	DETAILS	DURATION	LEARNING OUTCOME EVALUATED
Final Exam (individual)	Essay or case study plus multiple choice / true-false questions	40%		1h	L 1, 2, 3, 4
Online simulation (individual)	Revenues and profits of company managed; Effort	20%	Based on effort and ranking by cumulative profits and cumulative revenues of each participant's best run	Min. 3h	LO 1, 3, 4
Group presentation	Presentation & discussion of mini-cases	20%	Details incl. timing of presentations will be provided on BB and in session 1	Appr. 5 min. per person (depending on group size)	LO 2, 3
Participation (individual)	In class discussions incl. mini-quizzes and polls	20%	Preparation of case studies (incl. questions); active participation during the seminar: valuable contributions and active listening	Continuous	LO 1-4

READING

- Back Bay Batteries Foreground Reading (link provided on Blackboard)
- Case Study 1: Govert Vroom and Isaac Sastre: 'Spotify: Face the Music'. IESE Case Study. 2018. (IES678-PDF-ENG)
- Case study 2: Jamie Anderson, Karin Kollenz-Quetard and Nader Tavassoli: 'Dollar Shave Club: Disrupting the Shaving Industry'. LBS-EDHEC Case Study. 2018. (LBS150)

RECOMMENDED ADDITIONAL READINGS:

Online material:

- Back Bay Batteries 'How to pay' instructions (material from video + additional detail) – available on the simulation platform (how-to-play section)
- James Currier: *The Network Effects Bible*. <https://www.nfx.com/post/network-effects-bible>
- Jin, Li and Chen, Andrew (2018). *What's Next for Marketplace Startups?* <https://a16z.com/2018/11/27/services-marketplaces-service-economy-evolution-whats-next/>

Articles:

- Adam Brandenburger and Barry J. Nalebuff (1995): Right Game: Use Game Theory to Shape Strategy, *Harvard Business Review*, July 1995.
- Collis, David J. and Cynthia A. Montgomery (2008), Competing on Resources, *Harvard Business Review*, July-August 2008.
- Gary P. Pisano (2019), The Hard Truth About Innovation Cultures, *Harvard Business Review*, January-February 2019.
- Marshall W. Van Alstyne, Geoffrey G. Parker, and Sangeet Paul Choudary (2016). 'Pipelines, Platforms and the New Rules of Strategy'. *Harvard Business Review*. April 2016.
- Feng Zhu and Marco Iansiti (2019), Why Some Platforms Thrive... and Others Don't, *Harvard Business Review*, January-February 2019.

Books:

- C.M. Christensen (1997), *The Innovator's Dilemma: When New Technologies Cause Great Firms to Fail*, Harvard Business Review Press, Boston.
- Nathan Furr, Kyle Nell and Thomas Zoega Ramsay (2018), *Leading Transformation*, Harvard Business Press, Boston MA.
- Geoffrey A. Moore (1999), *Crossing the Chasm*, Harper Collins Publishers, New York.
- Howard Yu (2018), *Leap: How to Thrive in World Where Everything Can Be Copied*, PublicAffairs, Hachette Book Group, New York.

20_M2_NI_CFB_S2_SEM_1018: ETHICS AND FINANCE * /Core Course

SEMESTER: 2

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR: Geert DEMUIJNCK, geert.demuijnck@edhec.edu

COURSE OBJECTIVES

Managers and professionals in the finance industry are confronted with many specific ethical issues. This course addresses, to some extent, the ethical challenges in finance, which includes financial markets, financial services, and financial management.

The main objective is to make students aware of the relevance of ethical norms for professionals in finance. A second objective is to deliver helpful background knowledge for people who prepare the CFA exam.

That financial activity be conducted according to moral norms is of great importance, not only because of the crucial role that finance plays in the personal, economic, political, and social realms but also because of the opportunities for large financial gains that may tempt individuals and financial institutions to act unethically and cause great harm.

Many of the ethical norms in finance are embodied in law and government regulation and are enforced by the courts and regulatory bodies.

Ethics plays a vital role, however, first, by guiding the formation of law and regulation and, second, by guiding conduct in areas not governed by law and regulation.

LEARNING OUTCOMES

After having taken this course participants will be able to:

- Understand the need for ethics in finance and the role of ethics in financial activity.
- Understand the ethical principles of fairness in market transactions and the principles that justify the duties of people in financial roles
- Understand the ethical principles that apply to the delivery of financial services and the operation of firms in the financial services industry, the duties of financial managers in corporations and the ethical principles that apply to corporate financial decisions.
- Understand how particular management may be helpful to implement an ethical corporate culture and to limit the risk of unethical behaviour.

PREREQUISITES

There are no specific prerequisites, except for the willingness to be guided by rational arguments and to scrutinize critically one's own and other people's moral opinions related to the economy and, more particularly, related to the financial markets and services

COURSE CONTENT

- Introduction: Ethics today. Ethics and the economy
- Ethics and financial markets: concepts and cases (e.g. insider trading)
- Ethics in financial services: concepts and cases. Ethics and investment decisions: what to think of SRI?
- Ethics and individuals in the finance sector (+ discussion of the CFA code of conduct)
- Behavioral ethics: how to implement ethics and compliance in a corporation?

TEACHING & LEARNING METHODS

Students are expected to attend every class. Since the course consists of five three-hour sessions, an absence from even one class involves missing a significant portion of the course.

The course makes extensive use of Blackboard. In addition to material posted on Blackboard, this system will be used to submit all writing assignments. Students are responsible for learning how to gain access and work with files in Blackboard and for ensuring that the system has their preferred email address.

ASSESSMENT METHODS

In addition to reading the assigned materials and participating in class discussion, the requirements for the course include one written assignment. The grade for the course is determined as follows: participation 40%, the writing project 60%.

MSC

20_M0_NI_FE_S2_CCO_HUM_INCOMNODD_2368: RESEARCHING FRANCE (for Incoming students)

SEMESTER: 2

NUMBER OF HOURS: 30

INTERNATIONAL PROGRAMME: 7 ECTS

COURSE COORDINATOR: Anne WITTE

COURSE OBJECTIVES

This module requires participants to explore a number of data collection methods to produce qualitative and quantitative inquiries on France and its industries. A public/private business will be the focus of student research with the aim to make strategic proposals to stakeholders. Research is considered an interdisciplinary task encompassing primary and secondary data gathering, framing an original research question and arguing for a recommendation or a new way of understanding a problem or opportunity. Practice in research for consulting will allow participants to familiarize themselves with creating value through benchmarking, industry comparison and value-driven strategic analysis. It will also familiarize students with the “inside” experience of a French concern.

LEARNING OUTCOMES

After having taken this course, participants will be able to/are expected to know or understand (knowledge-based outcomes)

L01 France - its business specificities

L02 Adaptation strategies for public institutions to enhance their financial independence

More specifically, participants should be able to (skill- and competency-based outcomes)

L03 Speak and write critically about the private and public sector in France

L04 Adapt a critical perspective on the political philosophies that influence French organizations

L05 Conduct industry specific country risk analysis concerning France

PREREQUISITES

Three years of general business courses or Bac + 3 Business Administration.

A working knowledge of French is helpful, but not required.

COURSE CONTENT

SESSION N°	TOPIC
1	Introduction to the French Economy & French Centers of Excellence
2	Field visit to company
3	Swot, problem statement
4	Mission statement
5	Comparison (local)
6	Benchmark (international)
7	France in Europe
8	Culture, management & values
9	Final consulting reports & Presentation
10	Final consulting reports & presentation

TEACHING & LEARNING METHODS

Lectures, student study cohorts, Socratic dialogue, reading.

ASSESSMENT METHODS

ASSESSMENT	% OF THE TOTAL MARK	LEARNING OUTCOME EVALUATED
Participation	20	LO1, LO2

Consulting Report & Presentation	50	LO 3, 4, 5
Final Exam	30	LO1, LO2

READING

Almquist, Eric, Senior; John & Bloch, Nicolas (2016) The Elements of Value R1609C, Harvard Business Review
Kotler, G, Kotler, Ph. & Kotler, W.L. (2008) Museum Marketing and Strategy: Designing Missions, Building Audiences, Generating Revenue and Resources, ISBN: 978-0-7879-9691-8. Wiley/Josey Bass.

MSC

20_M2_NI_FE_S2_LVX_LV2_FLE_INCOMINGNODD_1352: FRENCH COURSE (For Incoming students)

SEMESTER: 2

NUMBER OF HOURS: 30

INTERNATIONAL PROGRAMME: 5 ECTS

COURSE COORDINATOR + MAIL: Elizabeth DICKSON, elisabeth.dickson@edhec.edu

COURSE OBJECTIVES

Level 1

- Acquire knowledge of basic grammatical structures
- Acquire vocabulary needed for basic daily communication
- Discover the socio-cultural life of France

Level 2

- Learn to master the most common communication situations, both written and oral
- Discover France, its geography, its customs, its social life
- Participate in discussions and present one's opinions clearly
- Fill gaps in grammar

Level 3

- Discover the language of business and the life of an enterprise in the French socio-economic context
- Learn to communicate in the business world, both in writing and orally
- Learn about the working of a firm based on specific themes

LEARNING OUTCOMES

Level 1

- After having taken this course participants will be able to:
- Master basic conversation skills
- Carry out basic everyday tasks in the French language

Level 2

- After having taken this course participants will be able to:
- Master written and spoken French in both a business and social context

Level 3

- After having taken this course participants will be able to:
- Be able to use French in various business simulations
- Master business French
- Understand French companies and how they work

PREREQUISITES

Level 1 : None

Level 2 : To be able to speak, write and understand basic French

Level 3 : To be able to speak, write and understand French at advanced level

COURSE CONTENT

Level 1

- Various aspects of daily life such as:
- Introducing oneself and introducing someone to a third person
- Speaking about oneself
- Reserving a hotel room
- Asking for directions or for information
- Shopping
- Making simple descriptions

Level 2

- The final goal of this course is to:
- Communicate with ease by telephone,
- Undertake administrative procedures,
- Make reservations,
- Send e-mail messages,
- Write simple letters,
- Understand texts in French and discuss a particular topic

Level 3

- Various aspects of a firm's life internally and in its relations with the outside world, namely:
- Legal business forms
- Flowcharts
- Employment
- Advertising
- Banking
- Suppliers

TEACHING & LEARNING METHODS

Level 1

- Discovering the basics of language
- Applied exercises both spoken and written, individual and in groups
- Role playing

Level 2

- Applied exercises both spoken and written, individual and in groups
- Role playing
- Discussions and debates
- Grammar exercises as needed

Level 3

- Interactive approach to the business world.
- By means of a business-creation simulation (in groups of 3 or 4 students), students create and play out a fictional situation. They will have to "operate" their business, do research work, begin negotiations...
- These exercises will lead to work with grammar objectives.

ASSESSMENT METHODS

ASSESSMENT TYPE	% OF THE TOTAL MARK	DURATION	LEARNING OUTCOME EVALUATED
Participation	30%		
Contrôle continu	70%		

READING

Levels 1, 2, 3

- "Grammaire Progressive du Français", niveau A2/B1 - Intermédiaire Maïa Gregoire, Odile Thievenaz CLE INTERNATIONAL, 2013
- « Bescherelle – La grammaire pour tous », Laurent Nicolas, Bénédicte Delaunay, Hatier 2012
- « Le Bled, orthographe, grammaire, conjugaison, vocabulaire » Edouard Bled, Hachette 2012

Level 1

- "Civilisation Progressive du Français", niveau débutant C. Carlo, Mariella Causa CLE INTERNATIONAL, 2003
- "Comment vont les affaires" d'Anatole Bloomfield et Béatrice Tauzin. Hachette 2007

Level 2

- "Civilisation Progressive du Français ", niveau intermédiaire Ross Steele CLE INTERNATIONAL, 2004

- "Comment vont les affaires" d'Anatole Bloomfield et Béatrice Tauzin. Hachette 2007 "Communication progressive du Français des affaires" de Jean-Luc Penfornis. Clé international 2010

Level 3

- "Civilisation progressive du français", niveau avancé Jacques Pécheur CLE INTERNATIONAL, 2010
- "Affaires à suivre" d'Anatole Bloomfield et Béatrice Tauzin. Hachette 2007

MSC

20_M2_NI_CFB_S2_MFM_ACC_1113: INTERNATIONAL ACCOUNTING / Major in Financial Management

SEMESTER: 2

NUMBER OF HOURS: 30

INTERNATIONAL PROGRAMME: 4 ECTS

COURSE COORDINATOR: Simone TERZANI terzanisimone@gmail.com

COURSE OBJECTIVES

The course is primarily designed to give students both a theoretical and practical knowledge of financial statements, their main accounting features and some of the principal accounting issues related to financial statements preparation under international accounting standards (IAS/IFRS).

LEARNING OUTCOMES

After taking this course participants will be able to:

- comprehend the key motives underlying financial statements preparation in accordance with IAS/IFRS;
- understand key IAS/IFRS issues for finance teams (controllers, M&A departments, treasurers, etc.), external advisors (investment banks, financial boutiques, etc.) and investors;
- deal with complex accounting items such as goodwill (or badwill), lease expenses, derivatives, etc.;
- interact with accounting departments, auditors, controllers, etc.

PREREQUISITES

Basics of IAS/IFRS accounting and finance:

- 628 – Financial Analysis & Reporting;
- 626 – Corporate Finance & Asset Markets.

The course assumes knowledge of basic financial accounting (book-keeping, basic financial statements analysis), familiarity with international financial reporting standards (IAS/IFRS) and underlying key concepts.

COURSE CONTENT

SESSION	TOPIC
1	Introduction to International Financial Reporting Standards
2	Control Concept and Consolidation Principles
3	Business Combination
4	Tangible Assets
5	Intangible Assets
6	Impairment Testing
7	Revenue Recognition, Inventory, Construction Contracts
8	Financial Instruments
9	Financial Instruments
10	Financial Statement Analysis and Course Wrap-up

TEACHING & LEARNING METHODS

Lectures with real-world examples-based approach and with **interactive** student/team participation.

ASSESSMENT METHODS

ASSESSMENT TYPE	% OF THE TOTAL MARK	DURATION	LEARNING OUTCOME EVALUATED
Final written exam	70	3h	Understand IFRS key issues
Group assignment	20	Deadline specified in class	Understand IFRS key issues
Class participation	10	In class	Understand IFRS key issues

READING

Learning materials will be based on slides, cases book chapters and financial press. Materials details will be provided during the first lecture. PKF International Ltd, (2019). *IFRS 2019 Interpretation and Application of IFRS Standards Set*. Wiley. Paper or E-Book version.

MSC

20_M2_NI_CFB_S2_MFM_FIN_2757: STRUCTURED FINANCE * / Major in Financial

Management

SEMESTER: 2

NUMBER OF HOURS: 30

INTERNATIONAL PROGRAMME: 3 ECTS

COURSE COORDINATOR: Sylvaine CHUBERT

COURSE OBJECTIVES

This Structured Finance course's aims to provide you with an overview of the main structured finance products used for bank and capital market funding by Corporates, highlighting:

1. CFO's and treasurers' rationale
2. The lenders' perspectives (whether commercial banks, multilaterals or export credit agencies (ECA's))
3. Associated Advisory services: fiscal, accounting, legal, audit, Environmental Societal & Governance (ESG) and rating

This course is practice - oriented, giving students the opportunity to understand how transactions are structured, the risk-return character of various collateralized debt products and their application in the financial management of both Corporates and financial institutions.

"Hands-on" approach: Case studies are "real-life" ones and span a variety of industries and geographies.

LEARNING OUTCOMES

After having taken this course, participants will be able to/are expected to know or understand (knowledge-based outcomes)

- Understand the principles of Structured Finance and how it differentiates from Plain vanilla Corporate debt products
- Know when to use which financing structure in a Corporate Finance perspective
- Analyze the key risks attached to such debt products and identify the main risk mitigators and risk parameters for the cash flow model

More specifically, participants should be able to (skill- and competency-based outcomes)

- Know how to apply simple financial modelling to them
- Know how to structure the various financing solutions
- Be able to draft a financing recommendation for a Corporate board or Credit Committee of the bank syndicate
- Negotiate and bring such projects to financial closing

PREREQUISITES

Knowledge of Corporate Finance and basic credit analysis as well as basic Corporate Law are considered as a prerequisite for this course.

COURSE CONTENT

Each session includes both a lecture (+/- one hour) introducing on the fundamentals and a seminar session to put the latter in practice via a case study.

Preparatory work (1 to 2 hours per session) is an absolute necessity and consists of pre-reading about the transaction dealt with in the case study handout as well as a section of the recommended book.

SESSION # 1 (SC – 3 H)

Introducing Structured Finance.

- Definition and typology of assets. History and markets 'evolution.
- Legal & fiscal structuring: introducing the SPV
- The concepts of non – recourse, subordinated debt and self-liquidating finance

Introducing on International Trade Finance

- Trade scope and market players

- Key payment instruments for International trade: Bills of Exchange and Letters of Credit (issuances, notifications, confirmations and L/C discounting,
- Risk typology and key risk mitigators
- Case study: financing soft commodities' exports of goods on an L/C basis between France and Belarus

SESSION # 2 (SC – 3H)

Key Topic : Trade financing key products.

Why is Supply Chain finance developing? Key market players.

Main financing solutions: factoring, forfaiting, supplier credits

Recourse or non – recourse financings.

How to carry out the due Diligence? Financial analysis

Case study: Factoring or forfaiting trade receivables

SESSION # 3 (SC – 3H)

Key topic: The crucial role of Export Credit Agencies (ECA's) and Multilateral Banks in Structured Finance when managing political risk.

- Mission, Consensus framework and main policy instruments of both ECA's and MLA's
- ECA loans – Buyer credits On–shore vs. Offshore schemes. Underlying risk issues.
- Special focus on the European Investment Bank and the World Bank Group
- Case study: financing industrial machinery's exports with an ECA – backed buyer credit between the USA and Angola

SESSION # 4 (SC – 3 H) : Intro: Individual Quiz to review all Trade & Export Finance notions

Key topic: Project Finance. Key concepts

- When is PF most suitable?
- Financing Energy (including Renewables), Infrastructures or Government procurement
- Market highlights, by industry and geography & main market players
- Key structuring issues: Build Operate Transfer (BOT) concessions, DBFO and Public Private Partnerships (PPP).
- Case study: Structuring an hydro power plant financing in South East Asia

SESSION # 5 (SC – 3H) Special Event Visit of a project site (Yet to be confirmed)

Visit of the Allianz Riviera stadium project in Nice. Please check your Blackboard messages for the visit's logistics.

Please note that your presence to this event is compulsory.

- Conference by the Chief Financial Officer of the project SPV, Nice Eco Stadium. Presentation of the financial structuring of this transaction on Public Private Partnership (PPP) basis. Extensive Q & A session. Prepare your questions!
- Guided visit of the building including playfield, players' cloakrooms, coach rooms and VIP spaces.

Recommended preparatory readings: Search on Internet recent stadium financings arranged worldwide. And prepare your questions to the conference' speaker

SESSION #6 (SC – 3H)

Key topic: Project Due Diligence

- Main funding sources (Equity & Debt): banks, investment funds, private debt funds etc
- Qualitative risk analysis. Review of a Risk Mapping matrix.
- Special focus on Technology, Completion, Market and Environmental risks
- Introducing on sensitivity parameters

Case study: Analyzing a major PPP rail project

SESSION # 7 (SC – 3H)

Key topic. Financial analysis (Ctd) Working and analyzing the project Business Plan

- The CF model from the banker's and sponsors' point of view
- DSCR and IRR monitoring

- o Managing the cash waterfall

Case study: Reviewing the CF model of an industrial project in Vietnam

SESSION # 8 (SC – 3H) In IT Room

Key Topic: Project Cash flow modelling

- o Cash Flow Modeling and sensitivity analysis.
- o Preparing the financial plan and cash flow model
- o Avoiding “Garbage In, Garbage out!”
- o Debt sizing and maturity fixing
- o Debt amortization issues. Ramp up financing. Refinancing issues.

Case study: Working at the cash flow model of a PV solar plant in France

SESSION: # 9 (SC – 3H)

Key topic: Preparing the term sheet (loan agreement)

- o Current market overview: SPV Debt and Bond issuances.
- o Due diligence issues. Special focus on Market / traffic risk, Environmental & societal risks
- o Bringing a project to financial closing: pitch, term sheet, closing
- o Debt sizing and loan amortization structure.
- o Securing the cash flows from the lender’s point of view. Negotiation issues for sponsors
- o Managing the cash waterfall and fixing covenants: DSCR, ICR, LLCR.
- o Main securing issues for lenders: about pledges, mortgages and hedging.
- o Case study: Putting together the Term sheet of an infrastructure project tendered on a PPP basis. Debriefing on Public Private Partnerships.

SESSION # 10 (SC – 3H)

Key topic:

- o Round Up on all Project Finance fundamentals
- o Current market review in Infrastructure & Energy project finance.
- o Development Greenfield finance vs. acquisitions (M& A) of brownfield projects. Refinancing issues
- o Job opportunities in Structured Finance
- o Quiz preparatory to the final exam. Extensive Q & A session (1 hour +)

& Conclusion of Course

TEACHING & LEARNING METHODS

- Power point presentations providing an electronic slide-show of fundamental and key concepts with examples;
- Real-life case studies handled by students in groups and plenary debriefed in class by Prof.
- Podcasts to introduce on recent market developments
- Site visit of a stadium project
- Quizzes to measure the assimilation of key concepts by each student during class and prepare for final exam
- Structured Finance Glossary to assimilate and review the terminology used in the industry

Such methodology will provide adequate guidance (and preparation to final exam), provided each student prepares (with recommended readings) each session. **We strongly advise to plan at least one hour of reading prior to each class.**

ASSESSMENT METHODS

The course will be assessed through a three - hour individual written exam representing 100% of the grading.

This exam will include two (short) case studies, some open questions as well as some multiple-choice questions. All of these will be directly related to topics and case studies worked out in class.

Examples of past exams will be included in the quizzes (not graded) conducted in class in order to prepare students in an optimal way to their final exam.

READING

Recommended (strongly):

- INTERNATIONAL TRADE AND PRE - EXPORT FINANCE BY HOWARD PALMER EUROMONEY BOOKS

- PROJECT FINANCING BY JOHN D. FINNERTY WILEY FINANCE 2013; ISBN 978-0-470-08624-7 AVAILABLE AS E-BOOK IN EDHEC LIBRARY (ON DAWSON - ERA PLATFORM)

Compulsory readings:

CASE STUDIES WILL BE HANDED OUT BY PROF PRIOR TO EACH SEMINAR SESSION AND CONSIDERED AS COMPULSORY PRE-READING MATERIAL. THEY WILL BE AVAILABLE ON BLACKBOARD.

MSC

20_M2_NI_CFB_S2_MFI_FIN_3867: BANKING REGULATION* / Major in Financial Intermediation

SEMESTER: 2

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR: Dominique CHESNEAU, dch@tresorisk.com

COURSE OBJECTIVES

The objectives of the course is to understand the different concepts of regulations, compliance and conduct and how they are implemented altogether in a financial institution environment

LEARNING OUTCOMES

PREREQUISITES

None

COURSE CONTENT

SESSION N°	TOPIC
Lecture1	Lecture 1: The principles of Audit and Due Diligence
Lecture 2	Ethics: theory, principles and practice
Lecture 3	Regulation
Lecture 4	Compliance
Lecture 5	Compliance (following) and Conduct

TEACHING & LEARNING METHODS

in class lectures
 Documents review
 Class discussion

ASSESSMENT METHODS

ASSESSMENT	NATURE	% OF THE TOTAL MARK	DETAILS	DURATION	LEARNING OUTCOME EVALUATED
Working Group	presentation	50		20 mn per groupe	
FINAL QUIZZ		50			

READING

BIS documentation

EU, ECB and US FED Regulations

SPINOZA'S ETHICS

Université Paris 1 Panthéon-Sorbonne - Marc-Olivier Lagadic, « ISJPS: Centre de philosophie contemporaine » [archive], sur www.pantheonsorbonne.fr

Ethics and the Global Financial Crisis: Why Incompetence is Worse than Greed,

20_M2_NI_CFB_S2_MFI_FIN_854: PROJECT FINANCE * /Major in Financial Intermediation

SEMESTER: 2

NUMBER OF HOURS: 30

INTERNATIONAL PROGRAMME: 3 ECTS

COURSE COORDINATOR: S.CHUBERT Sylvaine.chubert@edhec.edu

COURSE OBJECTIVES

The current world economic growth requires the development or renovation of a vast number of infrastructures both in mature and emerging markets. **Toll roads, airports, renewable energies, stadiums, telecom networks and social infrastructures:** for all these industries, raising finance is of key importance.

With Project Finance, money is raised to fund a stand - alone investment structure in which the funds' providers look primarily at the project's cash flows to service the debt and provide an acceptable return on equity for the project's sponsors.

This course, with its typical **"hands-on" approach**, provides students with an opportunity to understand and put in practice the risk-return character of non - recourse financing from multiple perspectives: financial, legal, technical, fiscal and environmental.

Real – life case studies encapsulate a variety of industries and geographies and will form an eye –opener for students on the multiple applications and concrete future positions that Project Finance can generate.

A **visit to the Allianz Arena stadium** of Nice, financed on a PPP basis, is included in the course and forms a great illustration for this course's topic.

LEARNING OUTCOMES

After having taken this course, participants will be able to/are expected to:

- Grasp the economic, financial, legal and environmental scope of projects
- Assess the main project's risks and grasp how banks and rating agencies organize their Due diligence
- Identify the main sources of finance and the key debt market players, including Export Credit Agencies, Multilateral Banks and debt funds
- Understand the latest market trends and players in the Project Finance industry.

More specifically, participants should be able to:

- Structure debt on either BOT- concession or PPP-based projects
- Due diligence and benchmark projects per industry and region.
- Calculate the project's debt capacity and its IRR for the investing sponsors
- Analyze and build up a cash follow model and select sensitivity parameters
- Structure a credit offer ("term sheet") and identify key tools used by banks to secure their position

PREREQUISITES

Knowledge of Corporate Finance and basic credit analysis as well as basic Corporate lending is a pre. **A really good command of the English language (written and oral) is necessary, as your participation in class will be highly encouraged.** A detailed Project Finance glossary will be handed out to help you get familiar with the industry's terminology.

COURSE CONTENT

SESSION # 1 (Plenary - 3 H)

- ❖ Introducing Project Finance in the spectrum of Structured Finance products.
 - Definition and typology of assets financed
 - History and markets 'evolution
 - Motivations for Corporates and banks to use such debt products.
 - Legal, accounting & fiscal structuring: introducing the SPV
 - Recourse & non – recourse Financing
 - The role of banks as lenders, underwriters, syndicate agent, trust, hedge instruments' sellers etc...

- ❖ Main project financing structures on the market: Concessions from Build Operate & Transfer (B.O.T.) to Design, Build & Operate (D.B.O.)

Recommended reading for this session: Case study Nam Theun (part 1 of assignment)

SESSION # 2 (Group seminar – 3 Hours): Case study on Deal structuring

- Quiz on fundamentals (review of session #1).
- Introduction on deal structuring Identifying the main parties involved in a Project Finance and the risk - sharing structure: industrial vs. financial sponsors, commercial contractors (construction company, Operation and Maintenance Co., suppliers), offtaker, host country, ECA's, Multilaterals (MLA's), banks, rating agencies, investment funds, advisors etc.....
- Case study : structuring a an hydropower project in South East Asia (with podcast on the project).

Recommended readings for this session: Nam Theun case assignment (part 2) and chap. 3 & 4 of recommended book

SESSION # 3 (Group seminar – 3 hrs): The Project Due diligence. Risk identification & Risk management issues in Project Finance with special focus on the Country / Political risk

Case study: Nam Theun project presented by MIGA (World Bank Group)

The growing role of Multilateral Agencies and Export Credit Agencies in mitigating the political risk.

Identifying the scope of work of private insurers (Lloyd's market etc...)

Recommended readings for this session: chap.5 and 7 of recommended book and research work on the Web sites of the World Bank, the European Investment Bank (EIB) and the Asian Development Bank

SESSION # 4 (Plenary - 3 Hours): Project debt providers: bank loans, project bonds and private placements

Case study: The Tribasa Toll Road project (Mexico)

Recommended reading for this session: Tribasa case study assignment inserted in chap 18 of recommended book & Chap 13 of same book.

SESSION # 5 (Group seminar in computer room – 3 hrs): Preparing the financial plan and cash flow model

Case study: A photovoltaic solar plant in Narbonne (France) **Renewable energy projects and the growing impact of environmental and social regulations in Project Finance**

Reviewing the Equator principles.

Recommended reading for this session: Narbonne case study assignment & attached readings + chap. 6, 9 & 10 of recommended book.

SESSION # 6 (Plenary): Public Private Partnerships.

Key PPP market developments. Comparative study of classical BOT and PPP structurings. Risk analysis issues.

Case study: Turkey's Hospital PPP schemes.

SESSION # 7 (Group seminar in computer room): Working and analyzing the model from the banker's point of view. Managing the cash waterfall

Case study: An aluminium smelter project in Vietnam

Recommended reading for this session: case study assignment and attached readings (with Excel cash flow model to be downloaded from Intranet by students) + chap. 10 and 11 of recommended book

SESSION # 8 (Group seminar in computer room – 3 hrs): Preparing the Allianz Arena project site visit: Financing stadium projects worldwide.

Case study: Desk research by students in small groups on stadium financings worldwide and presentation of their financial structuring to the class. Each group of students presents one project deal to the class. Debriefing by Prof.

Yet to be confirmed: Special Event Visit of the Allianz Riviera stadium project in Nice. Please check your Blackboard messages for the visit's logistics. Please note that your presence to this event is compulsory.

Conference by the Chief Financial Officer of the project SPV, Nice Eco Stadium. Presentation of the financial structuring of this transaction on Public Private Partnership (PPP) basis. Extensive Q & A session. Prepare your questions! Guided visit of the building including playfield, players' cloakrooms, coach rooms and VIP spaces. Recommended preparatory readings: Search on Internet recent stadium financings arranged worldwide. And prepare your questions to the conference' speaker

SESSION # 9 (Group seminar – 3 hrs): Preparing the project term sheet and getting the right security arrangements.

Case study TBD

Recommended reading for this session: case study assignment + chap. 7 & 16 of recommended book

SESSION # 10 (Plenary – 3 hrs): Conclusion of Course

Rounding up on PPP projects, Host country's issues and related Term sheet and cash flow modelling practicalities

Overview of job opportunities in the Project Finance industry

Extensive final Q & A session as preparation for the final exam

Course evaluation

Recommended reading for this session: Review all the Power Point (lectures) materials!

TEACHING & LEARNING METHODS

- Power point presentations providing an electronic slide-show of fundamental and key concepts with examples ;
- Real-life case studies handled by students in groups and plenary debriefed in class by Prof.
- Podcasts to introduce on recent market developments
- Quizzes to measure the assimilation of key concepts by each student and prepare for final exam
- Project Finance Glossary to assimilate and review the terminology used in the Project finance industry

Such methodology will provide adequate guidance (and preparation to final exam), provided each student prepares (with recommended readings) each session.

Absolute requirement to pass the exam: **plan at least one hour of reading (case study + book) prior to each class.**

ASSESSMENT METHODS

The course will be assessed with a three - hour individual written exam including a few (short) case studies derived from deals closed on the markets, some multiple choice and some open questions. All the above are directly related to topics and cases worked out in class.

In order to prepare in an optimal way this final test:

1. Study all the Power Point presentations of Prof (paper handouts in your possession and electronic version available on Blackboard)
2. Review each case study's Debriefing (prof's and your class notes)
3. Finish all your readings in the recommended book
4. Double- check terms by using regularly your glossary

NB: An extensive preparatory session (derived from previous exams) to the final exam will take place during the last plenary lecture. Don't miss it!

READING

Highly recommended: project financing & asset-based financial engineering by John D. Finnerty Wiley Finance 2013; isbn 978-0-470-08624-7

Requested (compulsory): case studies. The latter will be made available on the intranet and handed out by prof prior to each seminar session. **It is essential that students read each of the case studies prior to class.** After students' work in class, a debriefing by prof will take place. Your attendance to all seminars is hence highly recommended.

20_M2_NI_CFB_S2_MFI_FIN_1121: CORPORATE & INVESTMENT BANKING : A FOCUS ON EQUITY CAPITAL MARKET * /Major in Financial Intermediation

SEMESTER: 2

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR: SocGen

COURSE OBJECTIVES

The purpose of the course is to provide you with a global view of Equity Capital Markets instruments, deals and legal framework and help you better understand the activity with specific case studies that will make you think about how to solve real situations.

The course is divided into four parts: the first is designed to present you the main differences in Mid caps and Large caps and which kind of deals can be done. The second part will deal with the equity linked instruments. The third part will present you how can be organised the capital structure of a company and what are the methodologies to analyse it. The fourth part covers the legal and the regulatory framework.

This course is aimed to students of corporate finance who want to pursue a career in the equity capital markets field.

LEARNING OUTCOMES

After having taken this course, participants will be able to:

- Identify the specificities of a Mid Cap and a Large Cap with regards to ECM and the different kind of deals for each of them. In the Large Caps focus you will acquire financial understanding of the primary market, the equity investor base.
- Have a good understanding of the Convertible and Exchangeable Bonds Instruments together with other Equity Linked Instruments
- Analyse different types of Capital Structure
- Think about the legal and regulatory framework and be able to manage an equity offer: manage the documentation, split responsibilities between players, and suggest the best offering structure

COURSE CONTENT

ECM MID CAPS

- What is a Mid CAP?
- Mid Cap companies: a specific class of assets for investors
- To what extent ECM Mid Caps differs from ECM Large Caps

ECM LARGE CAPS

- Overview of SG CIB Equity Capital Markets activities
- Primary Market Update
- The Equity Investor base
- Transactions key principles & case studies (indicative)

EQUITY LINKED

- Overview of equity-linked activities
- Convertible and exchangeable bonds - key principles and market update
- The development of non-dilutive convertible bonds
- Practice questions

CAPITAL STRUCTURE

- Part I - Back to basics (some quick reminders... and probably some unpleasant memories!)
- Part II - What is Capital Structure? (... in the academic world with plenty of weird formulas!)
- Part III - => What is Capital Structure? (... in the real world)
- Part IV - A powerful tool: SG's Capital Structure Advisory (CSA)

ECM EXECUTION: THE LEGAL AND REGULATORY FRAMEWORK

- The legal and regulatory framework: overview and constraints

- Split of responsibilities between players
- The prospectus directive
- The main offering structures
- The documentation related to an offering
- The contractual documentation
- Managing an equity offering: a matter of organization

ASSESSMENT METHODS

100% Final exam (beginning May - date TBD)

AMSC

ELECTIVES*

CAMPUS	PROGRAMME	SEM.	STATUS	N°	ELECTIVES NAME	
NICE	ED	MScCORP	2	E	3942	Financing Entrepreneurial Ventures
NICE	ED	MScCORP	2	E	5553	Entrepreneurship
NICE	ED	MScCORP	2	E	858	Real Estate Valuation
NICE	ED	MScCORP	2	E	3943	Commodities
NICE	ED	MScCORP	2	E	3944	Leadership & Relational Growth
NICE	ED	MScCORP	2	E	4507	Monetary Policy and Central Banks' Watching
NICE	ED	MScCORP	2	E	4536	Advanced Modeling with VBA
NICE	ED	MScCORP	2	E	853	Private Banking
NICE	ED	MScCORP	2	E	4887	Financial Data Analytics
NICE	ED	MScCORP	2	E	4888	Start-Up Lab
NICE	ED	MScCORP	2	E	4969	Business game in Project Finance
NICE	ED	MScCORP	2	E	5377	Business game on Venture Capital
NICE	ED	MScCORP	2	E	6308	Solvency 2: How to Manage an Insurance Company in the 21st Century

* A presentation will take place on Nice Campus during October 2019

20_M2_NI_CFB_S2_ELE_FIN_3942: FINANCING ENTREPRENEURIAL VENTURES*

SEMESTER: 2

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: TBD

COURSE OBJECTIVES

Financing Entrepreneurial Ventures confronts students who consider creating their company with a wide variety of financial issues, from funding and valuing the business, to negotiating deals with capital providers and splitting equity between founders, throughout formative, growth, and exit phases. The course is also appropriate for students who would like to pursue a career in venture capital, corporate venture and public initiatives to foster entrepreneurship.

LEARNING OUTCOMES

After having taken this course participants should be able to:

- LO1: Understand how financing decisions impact value creation, ownership, and governance. (“who”, “what”)
- LO2: Calculate the impact of financing structures on the venture (“how much”, “what for”, “when”)
- LO3: Make informed decisions on financing choices in relation to strategic issues (“stay”, “sell”, “buy”...)
- LO4: Understand how capital providers assess risks, value young ventures, and negotiate deals.

PREREQUISITES

Students should have a solid grasp of business plans, financial statements, basic accounting/finance notions including break-even point, working capital, capital structure, time value of money and discounted cash flow method. A working knowledge of Excel is recommended although not mandatory.

COURSE CONTENT

SESSION	TOPIC	CONTENT
1	Introduction – Sources of Financing	<ul style="list-style-type: none"> ▪ Range of entrepreneurial financing alternatives (Debt, angel investing); ▪ Use of internal cash flows and growth management when no external financing is available yet;
2	Valuing a Startup	<ul style="list-style-type: none"> ▪ Methods and issues in valuing a business concept; ▪ Reconciling entrepreneurs and investors perspectives
3	Structuring Deals (1)	<ul style="list-style-type: none"> ▪ Example of deals between entrepreneurs and investors, focus on term sheets;
4	Structuring Deals (2)	<ul style="list-style-type: none"> ▪ Negotiating with VCs (price vs. value); ▪ Getting a deal done;
5	Splitting Equity and Compensation among Founders	<ul style="list-style-type: none"> ▪ How rewards and money will be distributed <i>within</i> the startup enterprise; ▪ Management packages.

TEACHING & LEARNING METHODS

in-class lectures, case studies, class discussions

ASSESSMENT METHODS

NATURE	% OF THE TOTAL MARK	DETAILS	DURATION
Cases presentations	30%	In-class group presentations	20mn
Final exam	70%		2h

20_M2_NI_CFB_S2_ELE_5553: ENTREPRENEURSHIP*

SEMESTER: 2

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Patrick KEDZIORA

COURSE OBJECTIVES

GUIDING PRINCIPALS

- “L’audace, toujours l’audace.” - George Danton
- “We don’t need no badges.” - The Treasure of the Sierra Madre
- Ethics

OBJECTIVES

The objective of this course is to facilitate learners on a learning journey that will cover key concepts and principles of the entire entrepreneurial journey. Amongst the topics covered you’ll learn: 1) what it takes to be an entrepreneur, 2) how to create your idea, 3) how to validate your idea in the market, and 4) how to sell your idea to your team, your customers and your investors. The course will be a combination of lecture and hands-on exercises; with the goal of making the participants "experience" the journey:

LEARNING OUTCOMES

After having taken this course, students are expected to know and understand (knowledge-based outcomes):

1. What key characteristics define entrepreneurs.
2. Developing a new idea by identifying problems and opportunities.
3. Developing and validating an idea in the market.
4. Creating a team.
5. Creating revenue models and forecasts.
6. Selling your idea to customers.
7. Understanding the fund-raising process and what investors are looking for.
8. Formulating a pitch of your startup to team members, customers and investors.

PREREQUISITES

A strong desire to make a difference in the world and to do something meaningful with your life.

COURSE CONTENT

The entire course will be delivered over three and a half days.

- Day 1 (Full day): Lessons 1-5
 - Day 2 (Half day): Lessons 6-7
 - Day 3 (Full day): Lessons 8-12
1. **What it means to be an entrepreneur**
 - Business person vs an entrepreneur
 - Wantrepreneur vs entrepreneur
 - Corporate innovation vs entrepreneurship
 - Emotional fortitude - Going beyond the numbers: What it takes to be an entrepreneur – the importance of all the non-numbers.
 - Ethics
 2. **Team building**
 - Co-founders
 - Team evolution
 - Ownership interests
 - Culture
 - Mentors and advisors

3. Ideation

- What problem do you solve?
- Niches
- Trends
- Design thinking
- Blue ocean strategies
- Copycat entrepreneurship

4. MVP and competitive advantage

- Lean startup methodology - plusses and minuses
- Validation
- MVP
- Competitive matrix analysis
- Unique value proposition

5. Product testing and customer feedback

6. Selling your product – Business model and Selling

- Business model vs. revenue model
- Blogs, ecommerce
- Revenue model (i.e. B2B, B2C, B2B2C ...)
- For-profit vs non-profit
- Sustainability
- Scalability
- Digital marketing
- Guerilla marketing
- Door to door marketing.

7. Financial modeling and forecasting

- Timelines - How to think about developing your business – milestones, funds required, personnel needed, resources needed, costs, business metrics, and financial metrics
- Forecasts - How to prepare your financial forecast – A step by step approach

8. Internationalization

- Beyond France
- Beyond Europe
- Issues and challenges

9. Pitching to team members, customers and investors.

- Pitch decks
- Pitching

10. Fundraising

- An overview of the fund-raising process.
- Exits
- Equity, dilution and exits - The impact of fund-raising.
- Cap tables
- Valuations
- Term sheets: Terms and conditions - pitfalls and traps
- Negotiating your term sheet
- Pitch decks vs Business Plans
- Seed, Venture Capital and more.
- US versus Europe
- Startup Chile, French Tech Ticket, F6S and more.
- Building your network and networking skills
- What investors are looking for

11. Mini-Demo day

12. Final thoughts, Next steps, Grades and Feedback

The course will involve several teaching and learning methods:

- In-class lectures and presentations
- Class discussions
- Small group exercises
- Individual and/or team presentations

ASSESSMENT METHODS

ASSESSMENT	NATURE	% OF THE TOTAL MARK	DETAILS	DURATION	LEARNING OUTCOME EVALUATED
Class participation	Oral	50%	Participation in in-class discussions	Entire class	Quality of discussion
Pitches prepared	PowerPoint	50%	Prepare, finalize and submit a pitch deck	One day	Application of concepts covered
Oral Pitches	Oral		Make your oral pitch (individually or as a team)	One Day	Application of concepts covered

REQUIRED READING AND VIEWING

All required readings and viewings **must be** completed prior to the start of the first class.

READINGS (In the order listed)

- The Farmer and the Cow
- <https://medium.com/the-mission/one-behavior-separates-the-successful-from-the-average-936f7ff04793#9mtg5b76z>
- Labor 2030: The Collision of Demographics, Automation and Inequality
- http://www.bain.com/Images/BAIN_REPORT_Labor_2030.pdf
- Casey Neistat on Why He Sold up to CNN for \$25 Million - Highsnobiety
- <https://www.highsnobiety.com/2016/12/01/casey-neistat-beme-sale-cnn/>
- China, Not Silicon Valley, Is Cutting Edge in Mobile Tech - The New York Times
- <https://www.nytimes.com/2016/08/03/technology/china-mobile-tech-innovation-silicon-valley.html>
- Glossier is building a multimillion-dollar millennial makeup empire with Slack, Instagram and selfies
- <http://qz.com/847460/glossier-girls-emily-weiss-on-how-glossiers-customers-became-its-most-powerful-sales-force/>
- Blank, S. (May 2013) *Why the Lean Start-Up Changes Everything*, Harvard Business Review
- <https://hbr.org/2013/05/why-the-lean-start-up-changes-everything>
- Ladd, T. (March 2016) *The Limits of the Lean Start-Up Method*, Harvard Business Review
- <https://hbr.org/2016/03/the-limits-of-the-lean-startup-method>
- Business Model vs Revenue Model
- <https://www.linkedin.com/pulse/20140814095356-86717-business-model-vs-revenue-model>
- Difference Between Business Models and Revenue Models
- <http://www.digitalbusinessmodelguru.com/2013/02/difference-between-business-models-and.html>
- Silicon Valley Legend Creates Pitch Deck Template For Entrepreneurs (Just look at the website, no need or requirement to purchase the book)
- <http://startupfundraising.com/silicon-valley-legend-creates-pitch-deck-template-for-entrepreneurs>

MOVIES

- The Founder – The story behind McDonald’s. Pay particular attention to the business model. Are they a restaurant company or a real estate company?
- Joy – A true story about Joy Mangano. Shows many of the hurdles and complexities faced by founders. Pay particular attention to her developing an MVP and her perseverance.
- The Social Network – Ethical issues in startups.

YOUTUBE

- Randy Pausch Last Lecture: Achieving Your Childhood Dreams
- https://youtu.be/ji5_MqicxSo?list=FLtS7LcfUwmWp63Gk_wg7Z2w
- Simon Sinek: Historical perspective on why Entrepreneurship matters: <https://www.youtube.com/watch?v=4VdO7LuoBzM>
- Simon Sinek: It's not what you do, it's why you do it: <https://www.youtube.com/watch?v=qp0HIF3SfI4>

RECOMMENDED ADDITIONAL READINGS AND VIEWINGS

READINGS

- Blank, Steve *The Four Steps to the Epiphany*, Steve Blank, USA – available on Kindle
- Harvard Case Material, *Entrepreneurship Reading: Financing Entrepreneurial Ventures*
- <https://cb.hbsp.harvard.edu/cbmp/product/8072-HTML-ENG>
- Ries, E. (2011) *The Lean Start Up*, Penguin Group, London

TV SHOWS

- Halt and Catch Fire - a fictionalized insider's view of the personal computer revolution of the 1980s and later the growth of the World Wide Web in the early 1990s. A must!
- Silicon Valley – a fictionalized look at five team members doing a startup in today's Silicon Valley. A classic!

RECOMMENDED, TOOLS, GROUPS, WEBSITES AND PODCASTS

TOOLS

- To improve your English writing skills: <http://www.grammarly.com> – Much better than MS and Google spell check and grammar check. There's a free version which is good; but if you can afford it get the paying version.
- To improve your French writing skills; I can recommend this Chrome add-on to spell check and grammar check your French. Much easier than MS or Gmail if you are primarily writing in English and need to do a quick check in French. <https://chrome.google.com/webstore/detail/spell-checker-for-chrome/jfpdnkkgghlpdglidicfgnknkhdfhocg?hl=en>
- To improve your public speaking skills: Join a local chapter of Toastmasters International, <https://www.toastmasters.org>, attend for at least one year, and get the Competent Communicator certificate. They have very reasonable membership fees.
- How to manage your contacts: FullContact <https://www.fullcontact.com> – the best tool for managing all those business cards and contacts you're going to amass as you raise funds. Install the Gmail plugin, the desktop app and download the phone app.

WEBSITES AND PODCASTS

- Boilingice – Insights into entrepreneurship and global business <http://www.boilingice.com>
- CBInsights – Best source for data. <http://www.cbinsights.com/>
- Eric Ries – A pillar of entrepreneurship <http://www.startuplessonslearned.com/>
- Fred Wilson – Great blog by a top VC <http://www.avc.com/>
- French Tech Ticket – Just apply! – Another, Great accelerator with equity-free funding <http://www.frenchtechticket.com>
- Marc Andreessen – Archive of Andreessen's blog <http://pmarchive.com/>
- Mark Suster - Another blog by a top VC <http://www.bothsidesofthetable.com/>
- Stanford Univ. Podcasts – Great podcasts on entrepreneurship <http://ecorner.stanford.edu/podcasts.html>
- Startup Chile – Just apply! – Great accelerator with equity-free funding <http://startupchile.org>
- Steve Blank – The master of entrepreneurship <http://steveblank.com/>

20_M2_NI_CFB_S2_ELE_FIN_858: REAL ESTATE VALUATION*

SEMESTER: 2

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Priscille LE PRIELLEC

COURSE OBJECTIVES

The objectives of the course are to (i) understand the main characteristics of commercial real estate investment and finance in developed markets (focus on Europe) and emerging markets (focus on Asia), (ii) acquire technical skills of real estate valuation, (iii) be able to construct the model of a real estate investment and (iv) understand the key concepts of real estate lending (corporate and structured loans).

LEARNING OUTCOMES

After having taken this course participants will be able to:

- Understand the specificities and challenges of real estate in corporate finance through the acquisition of a detailed knowledge of the different kinds of investment, investors and markets – Focus on office and retail markets.
- Value real estate assets and companies using different methodologies
- Apply modelling skills to the real estate sector and be rapidly operational either in a real estate company/fund as an investment analyst/ asset manager or in a bank/financial institution as a credit analyst/ equity analyst

PREREQUISITES

DCF corporate valuation / IRR modelling.

COURSE CONTENT

Sessions	Content	Preparatory work	Methodology
Session 1 (3h)	Chapter 1: Real Estate Overview – part 1 Real Estate in the economy, real estate investments worldwide, real estate cycles, why and how investing in real estate, 4-quadrant model, asset classes: drivers and market analysis	Reading of real estate reports and white papers posted on Blackboard before the course	Lecture
Session 2 (3h)	Chapter 1: Real Estate Overview – part 2 Actors of the value chain, the different investors and their respective strategies (core/value added/ opportunistic), performance measurements, access to information		Lecture
	Chapter 2: Real Estate Valuation – part 1 Valuation standards and process, key concepts & methods of asset valuation, NOI computation & due diligence of lease agreements		Lecture Case study 1: impact of indexation Case study 2: income capitalisation - office valuation
Session 3 (3h)	Chapter 2: Real Estate Valuation – part 2 Property companies valuation, Reits worldwide	Preparation case study 3: DCF – market value of a retail asset	Presentation by students and discussion of case study 3: DCF Retail

			Lecture
Session 4 (3h)	Chapter 3: Real Estate Investment Acquisition process and due diligence, modelling of income-producing asset investments (unlevered and levered IRR), price determination, risk analysis, sources of value creation, risk management	Preparation Part 1 (DCF & research) of case study 4: office investment	Lecture Presentation by students and discussion on case study 4: Office Investment (DCF part) Case study 4: Office Investment: price determination under IRR constraints (IRR part)
Session 5 (3h)	Section 4: Real Estate Lending Traditional and alternative lenders, impact of financial crisis and new regulations, corporate versus structured financing, capital markets access, bank loan process, risk analysis, pricing and structuring (modelling and term sheet) Conclusion: Challenges of the Real Estate Industry	Preparation Real Estate assumptions for case study 5: debt structuring	Lecture Case study 5: debt structuring of an asset acquisition

TEACHING & LEARNING METHODS

Lectures with insights from a real estate practice; case studies

ASSESSMENT METHODS

Grade:

- 100% on group assignment on a professional case, including research, valuation and financing items.
- Bonus for class participation and case studies presentation during sessions

Timing: 3 to 4 weeks of preparation

RECOMMENDED READING

No book covering the whole course. Experience matters in this field.

Recommended books:

1. Specific to US markets: Real Estate Finance and Investments. W.B. Brueggeman & J.D. Fisher, Mc Graw Hill with the following specific chapters:

- Real Estate Overview: chapters 9&21
- Real estate Valuation: chapter 10
- Real Estate Investment: chapters 11&13&14&18&22
- Real Estate Lending: chapters 12&15&16&17 - Further readings for basics: chapters 2 to 6

2: RICS Valuation – Professional Standards (the 'Red Book') – latest edition January 2014

20_M2_NI_CFB_S2_ELE_FIN_3943: COMMODITIES*

SEMESTER: 2

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Konstantinos KALLIGEROS

COURSE OBJECTIVES

Commodities have obtained a dual character over the past decades: are seen increasingly as an asset class, as well as a production input and output for non-financial organizations. Interestingly, their asset class characteristics impact prices and volatility, and thus make it increasingly important that non-investors understand and manage better the business risks linked to commodities.

The goal of this course is to introduce corporate finance students to physical and paper commodity markets (industrial and precious metals, oil and distillates, energy and agriculture), and expose them to ways that non-financial institutions manage their commodity risks. We take the analyst's point of view to look at commodity liability management solutions, corporate strategies, and real options linked to commodities.

The first part of the course, which focuses on commodity markets and participants, is descriptive. The second part, which focuses on commodity risk management, project valuation and real options, is very technical and will require students to significant work on Excel.

LEARNING OUTCOMES

After having taken this course, participants will:

- Have a broad knowledge of the main commodity markets (physical and paper)
- Understand spot and forward commodity pricing for various commodities, and how it affects corporate valuations
- Be able to synthesize hedging, financing and leasing strategies, and evaluate their efficiency in risk management and accounting
- Recognize the challenges and methods associated with valuation of projects and companies dealing with commodities
- Be able to identify and estimate the value of "real options" that occur within commodity projects

PREREQUISITES

Good understanding of finance theory, derivatives (swaps and forward contracts) and some understanding of options theory. Some work will need good Excel skills (but no VBA programming).

COURSE CONTENT

The course is divided in five 3-hour long sections. Depending on the final schedule, material may be shifted around.

SESSION	TOPIC
1	Introduction <ul style="list-style-type: none"> ▪ Precious metal markets ▪ Industrial metal markets ▪ Forward pricing for precious and industrial metals
2	Oil and distillate markets <ul style="list-style-type: none"> ▪ Natural gas, electricity and agricultural markets ▪ Forward pricing for precious and industrial metals
3	Review of the fundamentals of commodity pricing: <ul style="list-style-type: none"> ▪ Spot and forwards prices ▪ The shape of the forward curve ▪ In-class exercises
4	Financing, hedging and liability management for non-financial institutions: <ul style="list-style-type: none"> ▪ Reasons for hedging and the value to the firm

	<ul style="list-style-type: none"> ▪ Hedging strategies ▪ Risks arising from hedging ▪ Commodity asset and liability reporting (e.g., hedge accounting)
5	<p>Valuation of commodity projects and companies</p> <ul style="list-style-type: none"> ▪ The challenges in commodity project valuation ▪ Real options methods

TEACHING & LEARNING METHODS

Lectures, group discussions and extensive analysis of case studies. Student participation is essential.

ASSESSMENT METHODS

65% group project, to assess analysis and synthesis of a commodity hedge or real option situation (students' choice)
35% individual exercise, to assess understanding of commodity price modelling and futures pricing

RECOMMENDED READING

Compulsory readings will be distributed in class (presentations and academic papers)

Recommended reading: select chapters from

Geman, H., (2008) Risk Management in Commodity Markets, Wiley (technical specialist text for interested readers)

Geman, H., (2005) Commodities and Commodity Derivatives, Wiley (technical specialist text for interested readers)

Poitras, G., (2013) Commodity Risk Management: Theory and Application, Routledge

Deutsche Bank (2011), A user guide to commodities (online)

20_M2_NI_CFB_S2_ELE_FIN_3944: LEADERSHIP & RELATIONAL GROWTH

SEMESTER: 2

NUMBER OF HOURS: 15 hours in 2,5 days

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Philippe MASSART & Lucien SCHILTZ

COURSE OBJECTIVES

This seminar will provide you with methods and tools to make your interpersonal communication more efficient and satisfactory, to strengthen your leadership skills, and take your team/organization to the next level.

LEARNING OUTCOMES

After having taken this course, participants will be able to/are expected to know or understand (knowledge-based outcomes):

- analyse on the spot a situation of miscommunication and to adapt to it,
- understand why a person in relationship with him/her is under stress and to help him/her to come out of it,

More specifically, participants should be able to (skill- and competency-based outcomes):

- be aware of his/her own mechanisms of miscommunication, better manage his/her emotions,
- define precise objectives for his/her personal development, as a person and as a leader.

COURSE CONTENT

SESSION	TOPIC
1st half-day	<ul style="list-style-type: none"> ▪ Introduction to Emotional Intelligence and Relational Growth ▪ Linkages between relational needs, stress and behaviors ▪ Two versions of communication: Growth and Survival ▪ Illustration: Role plays on Passivity and Aggressiveness
2nd half-day	<ul style="list-style-type: none"> ▪ Communication model and psychological types ▪ Understand each of the communication profiles ▪ Self-reflection exercise: the impact of our behaviors in Survival and in Growth ▪ Fully understand one's communication profile (each participant will receive his/her personal communication profile)
3rd half-day	<ul style="list-style-type: none"> ▪ Debriefing and exchange on the ComProfiles model and self-reflection exercise ▪ Implementation: how to adapt to people in survival ▪ Workshop : role plays on each communication profile
4th half-day	<ul style="list-style-type: none"> ▪ How to adapt to specific situations or communication styles ▪ Applying relational growth as a leader ▪ Conclusion and seminar wrap up

TEACHING & LEARNING METHODS

Role plays, lectures, self-assessment exercises and personal development project

ASSESSMENT METHODS

ASSESSMENT TYPE	% OF THE TOTAL MARK	DURATION
Knowledge Acquisition Test	50%	1h
Video analysis	50%	2h

READING

Daniel Goleman, What makes a Leader, HBR, Nov-Dec 1998, pp 93-102.

20_M2_NI_CFB_S2_ELE_FIN_4507: MONETARY POLICY AND CENTRAL BANKS' WATCHING

SEMESTER: 2

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Salvatore NISTICO, salvatore.nistico@uniroma1.it

COURSE OBJECTIVES

The course aims at providing a simple theoretical framework to understand how central banks work, how they interact with the financial market and affect the real allocation of resources, and how they changed their modus operandi after the recent financial and sovereign crises.

LEARNING OUTCOMES

After having taken this course, participants will be able to/are expected to know or understand (knowledge-based outcomes):

1. understand the interactions between monetary policy and financial markets
2. understand the transmission mechanisms of monetary policy

More specifically, participants should be able to (skill- and competency-based outcomes):

3. evaluate how and why different Central Banks perform their institutional duties
4. appreciate the new monetary policy regime adopted in the Great Recession and the new tools used during the financial and sovereign crises

COURSE CONTENT

SESSION	TOPIC
1 (3 hours)	Monetary Theory: foundations of money demand, the role of interest-rate fluctuations and financial risk
2 (3 hours)	Monetary Theory: foundations of money supply, institutional features of modern Central Banks, targets and tools of monetary policy
3 (3 hours)	The transmission mechanisms of monetary policy: the term structure of interest rates, the exchange rate, inflation-expectations anchoring
4 (3 hours)	The Practice of Central Banking: Monetary policy before and after the global financial crisis (Fed, ECB, BoE), evolution of monetary policy strategy and tactics, conventional vs unconventional policies
5 (3 hours)	Understanding the role of monetary policy for the business cycle. Policy Paradoxes in a liquidity trap

TEACHING & LEARNING METHODS

in-class lectures and class discussions

ASSESSMENT METHODS

ASSESSMENT TYPE	% OF THE TOTAL MARK	DURATION	LEARNING OUTCOME EVALUATED
class participation	20%	15 hours	1, 2
Final written exam (MC and short-essay questions)	80%	1.5 hours	1, 2, 3, 4

READING

Mishkin, *The Economics of Money, Banking and Financial Markets*, Business School Edition, 2019: Parts I, II (ch. 6), III (ch. 12), IV, VI.

20_M2_NI_CFB_S2_ELE_4536: ADVANCED MODELING WITH VBA*

SEMESTER: 2

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Pierre TELLER

COURSE OBJECTIVES

The course is designed to teach students how to use the advanced facilities offered by Excel for corporate finance and to solve common financial problems. It is aimed at spreadsheet users who need to design, build and disseminate professional financial models within organizations. The course shows how to use Visual Basic for Applications (VBA) to create more powerful spreadsheets and to build custom functions. The students will work in class on their own spreadsheets, implementing all the notions of the course.

LEARNING OUTCOMES

After having taken this course, participants will be able to/are expected to know or understand (knowledge-based outcomes)

- Develop computer programming skills
- Implement financial models in VBA

More specifically, participants should be able to (skill- and competency-based outcomes)

- Automate tasks with macros
- Add user-defined function to Excel
- Create applications in VBA

PREREQUISITES

- M1 course 633: Introduction to VBA programming
- M2 course 764: Financial modelling with Excel

Students must know how to use Excel, especially financial functions and data analysis tools (data tables, pivot tables, etc.). Basic knowledge in VBA is also required (what is a macro, how to create a macro, the macro recorder, loops and conditional branching).

COURSE CONTENT

5 sessions of 3 hours, in IT Rooms & use of Excel.

SESSION N°	TOPIC	CONTENT	PREPARATORY WORK
1	intro	Loops, Conditional branching, decision making How to work with ranges, worksheets, etc.	N/A
2	Basic skills	Use of worksheet functions & R1C1 references	Homework given in session 1
3	User-defined functions, (UDF)	Definition of user-defined functions, examples (beta, etc.)	Homework given in session 2
4	Array-based UDF	Array-based UDF, application to portfolio theory	Homework given in session 3
5	Mathematical functions	–Option pricing –Application 1: Black-Scholes –Application 2: Monte-Carlo Simulations	N/A

TEACHING & LEARNING METHODS

Lectures, in-class exercises, take-home exercises

ASSESSMENT METHODS

ASSESSMENT	NATURE	% OF THE TOTAL MARK	DETAILS	DURATION	LEARNING OUTCOME EVALUATED
1	Take home	100	Creation of an excel application	Approx. 2 weeks	LO 2&3

READING

VBA and Macros : Microsoft Excel 2010

Bill Jelen, Tracy Syrstad

QUE Publishing - ISBN-13 : 978-0-7897-4314-5

MMS

20_M2_NI_CFB_S2_ELE_FIN_853: PRIVATE BANKING

SEMESTER: 2

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR: Luis SANCHEZ DE LAMADRID

COURSE OBJECTIVES

The Wealth management industry is considered a key division for most financial institutions and has been evolving in the past years due to increasing regulation like Mifid II, AML, FATCA, CRS. New competitors like fintech “Robo Advisors” are changing the rules of the game and most traditional financial institutions are in a process of digitalization to be able to adapt to current needs and avoid margin erosion. Also low interest rates bring additional pressure to banks who are in the process of gaining efficiency. On the other hand private clients increased their financial knowledge, especially after the last crisis, therefore they’ve become more demanding in terms of knowledge and services. We will analyze the industry world wide with an European focus, competitors and new comers. Also we will study in depth the different approaches to locals markets, type of clients, services and requirements to provide them.

LEARNING OUTCOMES

After having taken this course participants will be able to:

- Understand the wealth management industry and the main needs from clients and recognize the top players in the sector and their strategies
- Have a comprehensive view of most vehicles and products used in the industry
- Increase awareness of the new coming regulation
- Acknowledge new trends in the sector

PREREQUISITES

None. A basic knowledge of financial markets

COURSE CONTENT

- The wealth management industry
- Market & client segmentation
- Type of services offered in Private Wealth management industry
- Most common vehicles used
- The client acquisition process
- Family office structures
- Succession planning and structuring
- Different roles in a wealth management institution
- Main market trends
- How to position a financial institution in an advanced market
- Compliance, Mifid II, AML, FATCA.....
- New challenges for the different private wealth industry
- Fintechs & the new challenges

TEACHING & LEARNING METHODS

It would be organized lectures backed by slides and we will use examples and real cases to enhance the understanding of the subject

ASSESSMENT METHODS

100% of final individual exam

RECOMMENDED READING

Recommended:

- Wealth, by Stuart E. Lucas
- The wealth report 2017 by Knight Frank
- Global Wealth report 2017 by Cap Gemini

MSC

20_M2_NI_CFB_S2_CFB_ELE_4887: FINANCIAL DATA ANALYTICS

SEMESTER: 2

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR: Philippe COULOT

COURSE OBJECTIVES

Understand the main concepts related to Big Data: the concepts, technologies, impacts on business, potential disruptive outcomes, an overview of the main applications across sectors and an overview of market dynamics.

Understand the main principles related to architecture and to project management.

State of the art understanding of the main tools, offerings, applications and innovative startups in the field

The course will cover Data Management (access to data, extraction, quality, and exploitation) and Data Analytics (knowledge extraction, model exploration, design and test, business related industrialization

Understand business potential of Big Data across sectors, panoramic overview of desired skills, and main tools by categories

Manipulation of Data Visualization tools, understanding boundaries with AI (Artificial Intelligence)

LEARNING OUTCOMES

After the course, participant will able to know and understand (results based on knowledge and practical exercises):

- The Big data value chain
- The pillars of project management for Big Data : agile methodologies combined with startups approach
- Categories of applications and relevant technologies by functions and by sectors
- Societal challenges raised by Big Data: Data privacy, regulation
- Understanding market dynamics, co existence of categories of stakeholders, career and business opportunities
- Understanding of the business value of data and the main principles for value extraction
- Understand all major applications of Big Data / Artificial Intelligence across all segments of Financial Services.

In practice, participants will be able to (results based skills and practical exercises) to:

- Manipulate tools
- Analyze and develop case studies combining business insights and tools
- Understand the KPI (Key Performance Indicators) approach for managing operational excellence and optimized decision making

PREREQUISITES

General knowledge of business principles taught within the business school curriculum:

Marketing (operational and products) client marketing, CRM (B2B & B2C), Client Relationship management

Enterprise finance: Financial monitoring, Basics of accounting/management, business models

Economy: macro economy, regulatory framework (finance, legal, privacy)

Global understanding of major challenges in the economy across sectors

General knowledge on statistics: probabilities, statistics, models, robustness, correlation, conditions based probabilities, Bayesian approach, a general refresh of these major principals will be provided during the course.

COURSE CONTENT

SESSION N°	DURATION	TOPIC	CONTENT

1	4h30'	What is Big Data and its pillars? Big Data value chain analysis Introduction to Data Management Introduction to Big Data Analytics Big Data and AI (Artificial Intelligence) Machine Learning, Data Science, their main business applications	Definition and origins of Big Data, underlying technologies, evolutions, timeline, current state of the art and upcoming trends for tomorrow Business, technological and conceptual revolution linked to Big Data
2	4h	Business applications of Big Data <ul style="list-style-type: none"> ▪ Operational excellence in Manufacturing ▪ Decision making optimization ▪ Business models and key contribution of Data Business model Canvas and KPI) ▪ Illustration in financial services segments through various business cases 	Applications and business cases in the following segments in Financial Services : <ul style="list-style-type: none"> ▪ Consumer credit ▪ Cash Management ▪ Trade Finance ▪ Retail banking ▪ Non life insurance ▪ Life insurance ▪ Asset Management
3	3h30'	Technological and methodological approaches Data lake approach: governance, design, building, deployment Illustration a practical case studies based on real life case: leading global bank.	Functional and technical architectures, access to data, platforms, open data The different layers: Data Hub, Data Lab., Data Analytics, Business Intelligence
4	3h	Work group practical exercises based on 5 specific business cases. Future trends related to Big data and Artificial Intelligence	5 different case studies by groups of 6 students

TEACHING & LEARNING METHODS

Amphitheater courses and presentations, videos, interviews, work group sessions, presentations, videos et interviews
 Case studies and manipulation of tools.
 Practical applications and presentations

ASSESSMENT METHODS

EVALUATION	TYPE	% of TOTAL SCORE	DETAILS	DURATION	LEARNING OUTCOME TO BE EVALUATED
Work group sessions on case studies	Case studies during the course	40%	Access to specific web portals	2 h preparation in groups, 30 min presentation	Basic pillars of Big Data Analytics and ability to apply in a specific case studies based on real life project
Final exam	Open questions	50%	QCM + questions qualitative open questions	1h30 min	General principles explained during the course and personal insight
Participation	Interactive during the course	10%	Interactive exercises	NA	Experience sharing, collective learning approach

RECOMMENDED READING

- Mc Kinsey Studies : social technologies and their impacts
- BC studies on digital roadmap
- "Benchmark of key digital trends in Europe" study
- Key digital offerings of Cap Gemini, Logica/CGI, Weave, SIA Conseil, Octo Technology

- Key digital software specialized offerings: Kerenssen Consulting, Salesforce, SAP, IBM, Autonomy
- The “Business model generation” Framework
- The MIT CISR digital platform approach, (jointly developed with Niels Fonstad)
- The new society of zero Marginal cost, Jeremy Rifkin
- The fourth industrial revolution, Klaus Schwab
- L'économie du bien commun, Jean Tirole

Links to access available documents will be provided to participant prior to the course.

MSC

20_M2_NI_CFB_S2_CFB_ELE_4888: START-UP LAB

SEMESTER: 2

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Cyril DEMARIA, cyril.demaria@gmail.com

COURSE OBJECTIVES

Providing an understanding of the challenges associated with the early launch of a start-up by working with an entrepreneur on a real project. Students will act as “start-up consultants”, analysing the start-up and interacting with the CEO, delivering a high level presentation. In doing so, students will get a further grasp of the challenges of starting up.

LEARNING OUTCOMES

The purpose of this elective is for the students to:

- Structure their thinking in a context of low information, notably by listening, questioning in a structured way and setting up a work roadmap (LO1)
- Experience the specific context of start-up activities and evolution (LO2)
- Learn to self-manage their group and to set their own targets (LO3)
- Develop an answer and deliver it professionally to a group of professionals, listen to peers, challenge them and learn from them (LO4)

PREREQUISITES

Participants are encouraged to review their strategy, marketing, corporate finance and valuation classes to prepare for this course. They should have validated their private equity class before taking this elective (or follow it concurrently).

COURSE CONTENT

SESSION	TOPIC
5 h	Introduction: start-up, Q&A and lecture
5 h	Lecture & business case
5 h	Presentations and debriefing

TEACHING & LEARNING METHODS

Combination of lectures, students’ presentations, practical exercises and active sessions of Q&A. Participants are expected to actively participate, ask and answer questions and interact with other participants and the lecturer/CEO.

ASSESSMENT METHODS

ASSESSMENT TYPE	% OF THE TOTAL MARK	DURATION	LEARNING OUTCOME EVALUATED
Presentation	100	30 mn	All

Individual bonuses might be given to students with active and relevant participation in class.

READING

Recommended reading:

- Demaria, C. (2019) Introduction to Private Equity, Private Debt and Private Real Assets (John Wiley & Sons)
- Lerner, J. (2009) Boulevard of Broken Dreams - Why Public Efforts to Boost Entrepreneurship and Venture Capital Have Failed - and What to Do About It (Princeton University Press)

20_M2_NI_CFB_S2_ELE_4969: BUSINESS GAME IN PROJECT FINANCE*

SEMESTER: 2

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Cherif REBAI & Arnaud WERNERT

Case study & Business Game

This case provides students with a global experience of bidding for an infrastructure project. It requires and develops both hard skills (strategy, financial modeling, leveraged and structured finance, corporate finance, project finance legal concepts) and soft skills (team work, negotiation).

The game is managed to provide a real life environment (contradictory objectives, timing issues, pressure). The full-day program is meant to provide a step-by-step approach of the technical elements at stake (project structuring, risks management, cash flow modeling, current financing conditions...). The teacher supports teams along the construction of the financial model and the negotiation of the tender.

PREREQUISITES

Prior to attending, participants to this Business Game course should be able to:

- Understand the project finance concepts and various stakeholders' drivers
- Understand and tailor project finance deal structuring (business plan, cash flow, ratios...)
- Understand broad project finance transaction legal concepts.

Chronology, two half-day sessions (3h45 + 3h45)

This Business Game is handled in an equivalent full-day session (7.5 hours). It is tailored for a class of 30 – 40 students.

1. Introduction – 15 minutes

The teacher presents the specific concepts & background of this case study. Teacher will insist on: Highway Infrastructure concession models, typical risk sharing, traffic projections, investing & lending in Africa.

2. Building a simplified financial model – 2h30

Students will then be guided following a step-by-step approach through the construction of their own financial model, with relevant support from the teacher.

A particular focus will be placed on the cash flow modeling, the implementation of the financing conditions and the ratios calculation.

3. Correction of the simplified financial model – 30 minutes

A detailed correction is provided to ensure all students have common basis for the remaining part of the session.

4. Case presentation and bid rules – 30 minutes

The Dakar (Senegal) Motorway project is presented by the teacher, by detailing some of the specific issues at stake. It is the first motorway concession in West-Africa, which has been awarded by the State of Senegal to Eiffage Group in 2009 after an international competitive bidding process. It consists of a pure traffic risk, greenfield project where the private concessionaire is in charge of the design, financing, construction, operation, maintenance and renewal works of a 25km highway, over a 30-year period. Every day, the highway enables more than 60 000 peoples to save 45 minutes on their journey. Today, the project is frequently held up as an example by the multilateral organizations which contributed to its financing: Agence Française de Développement, World Bank, African Development Bank and West African Development Bank.

Awareness will be raised among students regarding major risks highlighted during the due diligences process and which should be dealt with in the tender.

5. Negotiation between lenders and sponsors within each consortiums, preparation of the bid – 2h45

The aim is to provide a "real life" Project Finance tender negotiation situation.

Students will form up to 4 consortiums of 8 to 10, and will deal with various sponsor and lender roles in a project finance deal environment. Each consortium will be made up of a 4 to 5 "sponsor team" students and 4 to 5 "lender team" students.

Students are split between sponsors teams and lenders teams:

- During the first hour, each team will analyze the issues, propose a way forward and prepare their negotiation. At the beginning of the session, each team is informed of its own interests that should be protected within the consortium, as well as the common goal that has to be achieved by the consortium. As it is the case during a true bidding process, consortiums members will have to deal with conflicting interests within a limited time in order to be able to submit their offer.
- During the second hour, sponsors and lenders try to reach an agreement on the deal.
- The last 45 minutes will be dedicated to the preparation of the offer the consortium will submit to the Public Authority.
- Consortium have to send their offer to the Public Authority at the end of this session.

6. **Bid presentation to the Public Authority – 50 minutes**

Each consortium will have 10 minutes to present its offer to the Public Authority and the other consortiums.

The Public Authority will challenge the consortiums by asking clarifications in order to assess the robustness and quality of the offer.

7. **Exchange on the different offers that have been submitted & Conclusion – 10 minutes**

The teacher debriefs with students on the strengths and weaknesses of the different offers from a Public Authority point of view. He will provide special emphasis on similarities and differences between the business game experienced by the students and a true bidding process for a concession model infrastructure project.

ASSESSMENT METHODS

Consortium will be evaluated on their tender, according to typical Public Authority criteria: price, compliance with tender requirements, robustness and credibility. Evaluation will therefore focus on students' hard skills (ability to reply to a specific set of technical issues and objectives) and soft skills (ability to work under pressure, team efficiency, negotiation ability, presentation clarity).

Given that the course is organized as a business game, only students who actually attend the session could be assessed. Therefore, physical attendance is essential.

HOMEWORK

Between the two sessions, students have to work on a real solar power plant project developed in Senegal. Putting into practice the knowledges acquired during the first half-day, students build on their own a financial model in order to determine the most competitive feed-in tariff they can offer to the off-taker. To guide them, the teacher provides a set of real assumptions that have actually been implemented on this project.

Students are asked to send by email their financial model and their feed-in tariff before the beginning of the second half day session.

READINGS

To complement their project finance culture, students are encouraged to read the following publications:

- African Economic Outlook 2018 (Chapter4) – Financing Africa's Infrastructure: New Strategies, Mechanisms, And Instruments – African Development Bank
https://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/2018AEO/African_Economic_Outlook_2018_-_EN_Chapter4.pdf
- Pioneer role of DFIs in sub-Saharan Africa – Yvonne Bakkum, Jeroen Horsten
<https://blog.private-sector-and-development.com/2011/11/28/pioneer-role-of-dfis-in-sub-saharan-africa/>
- Infrastructure Financing in Sub-Saharan Africa – Boston Consulting Group, AFC
<http://www.africafc.org/Publications/Publications-Documents/BCG-Report-Africa-May-2017-Electronic-v12-may.aspx>
- International Project Finance Law and Practice – John Dewar
- The Economic Motivations for Using Project Finance – Benjamin C. Esty
- How to Engage with the Private Sector in Public-Private Partnerships in Emerging Markets – Edward Farquharson, Clemencia Torres de Mastle, E. R. Yescombe
<http://documents.worldbank.org/curated/en/995241468337913618/pdf/594610PUB0ID1710Box358282B01PUBLIC1.pdf>
- Infrastructure Project Finance and Project Bonds in Europe – Emanuele Filiberto Rossi, Rok Stepic, Mahvash Alerassool

- Project Finance in Theory and Practice: Designing, Structuring, and Financing Private and Public Projects – Stefano Gatti
- Utility-Scale Solar Photovoltaic Power Plants – International Finance Corporation
<https://www.ifc.org/wps/wcm/connect/f05d3e00498e0841bb6fbb54d141794/IFC+Solar+Report+Web+08+05.pdf?MOD=AJPERES>
- Shaping the future of Africa – International Finance Corporation
<https://www.ifc.org/wps/wcm/connect/5c9e9f2f-779a-4ab7-beb6-e3aa65b00a85/Africa+CEO+Forum+Report+FIN3+Web-lores.pdf?MOD=AJPERES>
- The road not taken: Pitfalls and opportunities in infrastructure investing – JP Morgan
<https://am.jpmorgan.com/gi/getdoc/1383181077005>
- Africa Focus: Unlocking international investment opportunities in Africa – White & Case
<https://www.whitecase.com/sites/whitecase/files/africa-focus-2017-international-investment-report.pdf>
- Africa Focus: Financing Africa, Challenges and Opportunities – White & Case
<https://www.whitecase.com/sites/whitecase/files/africa-focus-spring-2018.pdf>
- Project Finance for infrastructure in Africa –World Bank Group
https://www.imf.org/external/np/seminars/eng/2014/CMR/pdf/Dornel_ENG.pdf
- Linking Up: Public-Private Partnerships in Power Transmission in Africa – World Bank Group, PPIAF
<https://openknowledge.worldbank.org/bitstream/handle/10986/26842/LinkingUp.pdf?sequence=3&isAllowed=y>
- Principles of Project Finance – E. R. Yescombe
- Public-Private Partnerships: Principles of Policy and Finance – E. R. Yescombe

20_M2_NI_CFB_S2_ELE_FIN_5377: BUSINESS GAME ON VENTURE CAPITAL*

SEMESTER: 2

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Philippe TIBI & Michel FLEURIET

COURSE OBJECTIVES

The case provides students with a 'real-life' experience of strategic planning and financing for a new venture. It utilizes gaming tools to develop financial skills and business experience, both for private equity investors and founders of new ventures.

Students will spend two full days on the game, with a one-week pause to allow students to do a thorough preparation of Day 2.

On a more detailed level, this course pursues 5 objectives:

1. Learning how to interpret the financial data of a startup and make better decisions
2. Evaluating how growth and size do influence market power and therefore cash flows/profits
3. Analyzing the respective objectives of the entrepreneur and the financiers.
4. Comprehending the details of the relation between the entrepreneur and the financier: private equity in the first stages, then the public market at the time of the IPO.
5. Understanding the expectations, the documentation and the basis of price discovery

CHRONOLOGY

The game is handled in two full days. It is tailored of a class of 30-40 students. 4 teams of students will play the role of entrepreneurs. 4 teams of students will play the role of venture capitalists.

In case of higher demand, the game can be duplicated in parallel to accommodate more students. With the same principle, 8 teams in total for the duplicated game. The size of the teams will be adjusted as a result. The base case is 8 teams of 5 students.

NB Companies presented are real. They are part of the Xerys portfolio.

Day 1

1. Introduction-30 mns:

Teachers present the concepts and the rules of the game

2. Analysing companies, developing strategies, pitching for financing, making investment decisions.

Discovery-60 mns

Info memos are given to all teams. They provide with basic information on the 4 companies and their sectors.

Managers study in depth their assigned company. Investors study the 4 companies.

Q&A with teachers-30 mns

Purpose is to ensure that companies are well understood and that the planning and investment phases start on a good basis.

3. Planning and investment-120 mns

Corporate Teams prepare models, business plans, investment strategies and valuation. Investment teams prepare funding strategies and asset allocation of the portfolio.

Lunch break

4. Pitches-120 mns

Each corporate team pitches for funding. 20 mns each

Investment teams take investment decisions and explain.

5. Teachers feedback-60 mns

Assessment of students performance. A master model is presented to students. Indications of real-life events for the companies

Preparation of day 2-60 mn

Teachers provide teams with a set of cards/events. Founders react to the events and take decisions. Teachers guide students on the potential impact of events on P&L and funding.

An Info memo is also provided on the basics of IPO.

During the one week pause, students work on the basis of the events having taken place. They take management decisions and update the company model and work on the next expansion phase. They assess the required funding. In parallel, venture capitalists take a view on the potential scenarios and prepare for funding decisions.

Day 2

1. Pitches: 90 mns

Each corporate teams explain their decisions to investors. Investors decide on new funding.

2. Teachers feedback and IPO preparation: 120mns

New cards/events are provided to the teams (maturity phase, to be used in the context of IPOs)

3. IPO preparation: 120 mns

Corporate teams work with investment teams to prepare the IPO

4. IPO pitch: 60 mns

Joint teams pitch in front of teachers.

Feedback: 60 mns

Teachers (representing the market) give a valuation for the company on this basis.

Teachers debrief the whole game session and advise teams on their strengths and weaknesses. They also provide indications on the current state of companies in real life mode.

After having taken this course participants will be able to:

1. Assess a value creation strategy that aligns business strategy, financial strategy, and investor strategy.
2. Plan for the balanced use of equity, debt, and free cash flow
3. Explain how a startup's operations are running, where its money is coming from, and how it is being spent.
4. Examine the tradeoff between ownership and growth and get an understanding of the different stages of investment.

PREREQUISITES

Students are expected to have a good understanding and practice of the following EDHEC courses

Financial modelling with Excel (#764)

Advanced corporate finance (#2753)

Advanced Corporate strategy (#1108)

ASSESSMENT METHODS

Teams and individuals will be assessed on the following basis (hard and soft skills):

- Interaction and proactivity
- Quality of the pitches
- Quality of investment decisions

RECOMMENDED READING

MOOC: How to finance your venture. (Coursera/Fleuriet-Tibi):

https://www.coursera.org/learn/finance-venture/?utm_source=ep&utm_medium=institutions&utm_campaign=twventure.

20_M2_NI_CFB_S2_ELE_6308: SOLVENCY II - HOW TO MANAGE AN INSURANCE COMPANY IN THE 21ST CENTURY

SEMESTER: 2

NUMBER OF HOURS: 15

INTERNATIONAL PROGRAMME: 2 ECTS

COURSE COORDINATOR + MAIL: Philippe FOULQUIER, philippe.foulquier@edhec.edu

COURSE OBJECTIVES

For 2016, Solvency II European Regulation adds new constraint for insurance sector. However, this regulation is also an opportunity to improve the management of the insurance companies. For 2005, EDHEC Value Creation (ex - Financial Analysis and Accounting Research Centre) has participated thanks a lot of studies and reports, to the debate with the European Commission, the European Parliament and the European Insurance and Occupational Pensions Authority (EIOPA).

Philippe Foulquier currently does a lot of advices and training in order to help insurance companies to improve the management in this new era. This elective is very concrete and deals with these new issues in order to understand how to put in place the dashboard of the 21st Century (applied already by the largest European Insurers) to manage a company.

LEARNING OUTCOMES

After the course, the participants will be able to:

- Appreciate the different measures of value creation and performance of an insurance company in the Enterprise Risk Management context.
- Understand the impacts of Solvency 2 European Regulation
- Master the issues of capital management for an insurance company, understand the different kinds of capital and its associated costs.

PREREQUISITES

No

COURSE CONTENT

1 - Enterprise Risk Management and Fundamentals

- Risk definition and management according to relationship of the stakeholders of a company
- Playing role to understand the fundamentals of cost of capital, value creation and performance
- Case study: Insurance Company with a shareholder structure
- Case study: Mutual insurance company with members (value creation and capital issues)

2 - Sources of Funding and capital management

- Modus operandi, financial instruments, stakeholders (including rating agency)
- Prudential capital, financial capital, accounting capital, economic capital, shareholders equity and debt
- Case study: Super subordinated debt and its issues

3 - Financial analysis of an insurance company

- Profitability, cost of capital and capital management,
- Key ratios analyzed by financial markets, European prudential regulator and companies internally
- Key points to be monitored carefully, challenges, analysis of the strategy through the review of financial statements and diagnosis
- Impact of the commercial, operational, financial, strategical decisions on the capital management
- Economic Capital model and arbitrage
- Case studies

TEACHING & LEARNING METHODS

The course will use multiple instructive methods such as Case Studies, Class discussions, Discourses analysis, Speech contest, Self-learning exercises and self-assessment.