



Code - Course	580021 – Corporate Finance in Tourism Organizations				
Type	Compulsory			Credits	6 ECTS
Thematic Area	Business Management				
Professor in charge of the course	Dr. Alejandro Sevy				
In-class	42 hours	Teacher-led	58 hours	Individual	50 hours

BRIEF COURSE DESCRIPTION

The purpose of business is to create and keep a customer. In order to create and keep a customer, it is necessary to offer products or services which satisfy and cater their needs. It is essential to carry out investments financed in such a way as their cost doesn't prevent from obtaining a proper profitability. Therefore, it is very important to carry out a consistent financial policy to support the actions implemented by other departments in the company.

The current economic framework in hospitality is characterized by a decrease in overnight stays, an over-supply and an increasing competition from different international tourist destinations. Companies are being forced to rethink their business models, which includes working to raise management standards, offering a well-defined product and following a competitive business model beyond simple cost- quality. Especially companies in the international hospitality sector need to get into new fields which promote, in a different and innovative way, the company's competition.

This course unit aims to give students the knowledge they need to analyse the real problems organizations need to deal with. This is done by establishing quantitative and qualitative analysis criteria and designing alternative scenarios in order to be able to make decisions and implement the strategic solutions in the field of commercialization, the human resources management, and the optimization of the economic and financial resources.

It is very important to know the economic and financial structure of a company and how to analyse it by studying its evolution throughout the different tax years in order to identify its current situation and its solvency ratio. Moreover, analysis allows us to forecast its future evolution and to solve any future problems, if necessary.

The results of the analysis will help us to take decisions and to establish an operational budget and a financial budget which will allow us to know the company's manager framework for action. The implementation of the budgets will let directors manage the company with the objective of assuming the differences between established objectives and achieved results.

This course unit brings together all the skills students need to develop in order to assimilate the specific knowledge on hospitality management. The course unit is designed and focused on developing the management tools from a strategic scope.



LEARNING OUTCOMES

The learning process designed for this course allows students to achieve the following Subject Related Learning Outcomes:

M01H4- Distinguish the most relevant economic and financial factors related to hospitality and catering.

M01H6- Analyze the financial feasibility of a company.

M01C7- Recognize the fundamentals and key concepts of strategy in a hotel company.

Likewise, these contribute to the achievement of the following Degree Learning Outcomes: *TC01, TH01, TH04, TS02, TS04, TS09, TS11*. They are all available for consultation [in this link](#).

ACADEMIC CONTENTS

1. Investment Analysis

1.1. Investment decisions: concept and classification.

1.2. How to estimate the cash flows of an investment?

1.2.1. Funds invested vs Funds generated

1.2.2. Net Cash Flow and Accumulated Cash Flow

1.3. Analysis methods: static and dynamic.

1.3.1. Static methods: ROI and payback.

1.3.2. Dynamic methods: NPV and IRR.

1.3.3. The cost of capital, discount rate or WACC.

1.4. Investment decision based on NPV, IRR and Payback.

2. Financial planning

2.1. Concept and objectives.

2.2. Documents for financial planning.

2.2.1. Provisional income statement.

2.2.2. Balance of pension situation.

2.2.3. Treasury budget. Direct and indirect methods.



3. Financial strategy

3.1. Introduction to financial strategy.

3.2. Financing needs: temporary and permanent.

3.2.1. Temporary financial needs.

3.2.1.1. Concept and financial resources within reach.

3.2.2. Permanent financial needs.

3.2.2.1. Concept and financial resources within reach.

3.2.2.2. Fundamental dilemma: own resources or debt? Trilogy to solve the dilemma

LEARNING METHODOLOGY

The learning methodologies related to this course include a wide window of different actions to set off its learning outcomes, which mean a development of different kinds of capacities referred to the learning of processes and attitudes applicability in the organization's environment based on the following activities:

- Analysis of financial statements
- Business Plan
- Final case study

ASSESSMENT SYSTEM

The assessment system measures the student's achievement of learning outcomes regarding the subject's learning outcomes and contents. Given the nature of this program, an essential part of the learning process is based on the active participation of the students during the sessions. For this reason, attending at least 80% of the sessions is considered mandatory. In each session, the student must sign the attendance control.

Students may choose continuous assessment or single assessment:

Continuous Assessment: the teaching-learning process is assessed by a continuous monitoring of the work done by the students throughout the course and a final individual examination. Students must attend a minimum of 80% of the classes in order to be assessed by continuous assessment.

Single Assessment: for those students who cannot come to class regularly, they can choose to be assessed by single assessment. The teaching-learning process is assessed by means of the assessment of all activities and in-person individual examination at the end of the course.



To qualify for this form of assessment, students must apply within the first 15 days of the start of the course through the assessment section of Virtual Campus.

The assessment activities planning will be public for the students from the start:

Activities	Type	Continuous	Single	Week deadline ¹
Analysis of financial statements	Group	30%	20%	2 nd week
Business Plan	Individual	30%	20%	4 th week
Final Exam	Individual	40%	60%	Exam Week
Total		100%	100%	

To pass the course, it is mandatory to have obtained a minimum final grade of "5", as long as the student has completed the individual exam/s or work/s established in the course. This exam/s or final work/s must be graded with a minimum of "4" in order to be able to calculate the average of all the assessment activities carried out during the course.

Revision and Reassessment of the Course

The student has the right to revise all the evidence that have been designed for the assessment of learning. The revision period is public and is available in the evaluation section of the subject, on the virtual campus. It is the duty of the student to read and understand the review and reassessment processes of the subject. All requests for review must follow the established process in a timely manner. Any request for review outside the established process will not be considered estimated.

If a student fails to achieve the learning objectives of the course, in order to opt for the subject reassessment, it will be necessary to have obtained a final grade of the subject between "4-4.9", and to have attended the individual final exam/s or final work/s of the course.

The reassessment process will only involve the modification of the final grade in case that the new assessment activity is passed and, in any case, the maximum grade will be "5". This grade will be averaged with the other grades of the assessment activities carried out by the student during the corresponding academic period, considering the percentages established in each subject, setting the final grade for the course.

COPY AND PLAGIARISM

¹ The week deadline is an estimation which may be subject to changes that may prompt modifications to the planning or context of the syllabus.



Without prejudice to others that are considered appropriate and in accordance with current academic discipline regulations, irregularities committed by a student that may lead to a variation in the grade will be valued with a zero (0) mark. Evaluation activities classified in this way and by this procedure will not be reassessed or recovered. These irregularities include, among others:

- The total or partial copy of a practical activity, report or any other assessment activity.
- Letting others copy the test/work.
- Submit group work that has not been fully completed by group members.
- Present as your own those materials produced by a third party, even if they are translations or adaptations, and in general, works with non-original and exclusive elements of the student***
- Have communication devices (such as mobile phones, smart watches, etc.) accessible during theory assessment tests - individual practices (exams).

*** Artificial intelligence is considered a third party

REFERENCES

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Hillier, D., Ross, S. A., Westerfield, R., Jaffe, J. F. and Jordan, B. D. (2013). Corporate finance. Second European edition. London: McGraw-Hill Higher Education.

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