



Teaching Guide				
Identifying Data				2020/21
Subject (*)	Investment Theory	Code	611G02020	
Study programme	Grao en Administración e Dirección de Empresas			
Descriptors				
Cycle	Period	Year	Type	Credits
Graduate	2nd four-month period	Second	Obligatory	6
Language	SpanishGalicianEnglish			
Teaching method	Face-to-face			
Prerequisites				
Department	Empresa			
Coordinador	Fernandez Castro, Angel Santiago	E-mail	angel.fernandez.castro@udc.es	
Lecturers	Fernandez Castro, Angel Santiago Lagoa Varela, Maria Dolores Llano Paz, Fernando de Piñeiro Sanchez, Carlos Suarez Massa, Maria Isabel Ana	E-mail	angel.fernandez.castro@udc.es dolores.lagoa@udc.es fernando.de.llano.paz@udc.es carlos.psanchez@udc.es isabel.suarez.massa@udc.es	
Web				
General description	The subject aim is that students develop appropriate skills for financial evaluation of investment projects.			
Contingency plan	<p>1. Changes in content: There would be no change in the contents.</p> <p>2. Methodologies ? Teaching methodologies that are maintained: All those provided in the initial plan, but in the virtual teaching scenario they would be developed online. ? Teaching methodologies that are modified: All those provided in the initial plan would be developed online in the virtual teaching scenario.</p> <p>3. Mechanisms of personalized attention to students: They would be developed online in all the scenarios contemplated (included in the face-to-face teaching scenario).</p> <p>4. Modifications in the evaluation: Continuous evaluation would be developed online. - Evaluation comments: If possible, the final examination would be face-to-face, otherwise it would be done online.</p> <p>5. Modifications of the bibliography or webography: There would be no modifications.</p>			

Study programme competences / results	
Code	Study programme competences / results
A1	Manage an enterprise or small organization, understanding their competitive and institutional position and identifying their strengths and weaknesses
A2	Integrate in any functional area of micro-firms or SMEs and perform fluently any management task commissioned
A3	Evaluate and foreseeing, from relevant data, the development of a company.
A4	Elaborate advisory reports on specific situations of companies and markets
A5	Write projects about specific functional areas (e.g. management, marketing, financial) of the company
A6	Identify the relevant sources of economic information and to interpret the content.
A8	Derive, based on from basic information, relevant data unrecognizable by non-professionals.
A9	Use frequently the information and communication technology (ICT) throughout their professional activity.
A10	Read and communicate in a professional environment at a basic level in more than one language, particularly in English
A11	To analyze the problems of the firm based on management technical tools and professional criteria



B1	CB1-The students must demonstrate knowledge and understanding in a field of study that part of the basis of general secondary education, although it is supported by advanced textbooks, and also includes some aspects that imply knowledge of the forefront of their field of study
B2	CB2 - The students can apply their knowledge to their work or vocation in a professional way and have competences typically demonstrated by means of the elaboration and defense of arguments and solving problems within their area of work
B3	CB3- The students have the ability to gather and interpret relevant data (usually within their field of study) to issue evaluations that include reflection on relevant social, scientific or ethical
B4	CB4-Communicate information, ideas, problems and solutions to an audience both skilled and unskilled
B5	CB5-Develop skills needed to undertake further studies learning with a high degree of autonomy
B6	CG1-Perform duties of management, advice and evaluation in business organizations
B7	CG2-Know how to use the concepts and techniques used in the various functional areas of the company and understand the relationships between them and with the overall objectives of the organization
B8	CG3- Know how to make decisions, and, in general, assume leadership roles.
B9	CG4-Learn to identify and anticipate opportunities, allocate resources, organize information, select and motivate people, make decisions under conditions of - uncertainty, achieve the proposed objectives and evaluate results
B10	CG5-Respect the fundamental and equal rights for men and women, promoting respect of human rights and the principles of equal opportunities, non-discrimination and universal accessibility for people with disabilities.
C1	Express correctly, both orally and in writing, in the official languages of the autonomous region
C4	To be trained for the exercise of citizenship open, educated, critical, committed, democratic, capable of analyzing reality and diagnose problems, formulate and implement knowledge-based solutions oriented to the common good
C5	Understand the importance of entrepreneurial culture and know the means and resources available to entrepreneurs
C6	Assess critically the knowledge, technology and information available to solve the problems and take valuable decisions
C7	Assume as professionals and citizens the importance of learning throughout life.
C8	Assess the importance of research, innovation and technological development in the economic and cultural progress of society.

Learning outcomes			
Learning outcomes	Study programme competences / results		
Deepen the understanding of financial logic	A1	B1 B2	C6 C8
Understand the groundings of investment project analysis	A1 A3	B3 B7 B10	C4
Know how to evaluate a non-financial investment	A2 A4 A5 A6 A8 A11	B5 B8	
Know how to develop models and how to apply IT tools	A5 A9	B3 B5 B7	C5 C7
Know how to formulate and defend a financial project	A10 A11	B3 B4 B6 B7 B8 B9 B10	C1 C5 C8



Contents	
Topic	Sub-topic
Evaluating investment projects. The value.	Introduction to investment analysis. Fundamentals and phases of the evaluation model. The cash flows (direct method) The cash flows (indirect method). The Net Present Value The Internal Rate of Return Other criteria: Payback, Annuity and Profitability index
Risk in individual projects	Risk and Uncertainty. Sensitivity analysis. Introduction to simulation. Decision trees.
Advanced investment analysis tools	Investment in equipment. Investment decisions under capital rationing. Multicriteria decision making. AHP

Planning				
Methodologies / tests	Competencies / Results	Teaching hours (in-person & virtual)	Student?s personal work hours	Total hours
Guest lecture / keynote speech	A1 A3 A4 A8 A10 A11 B1 B6 B7 B10 C1 C4 C6 C7 C8	17	34	51
Case study	A1 A2 A3 A4 A5 A6 A8 A10 A11 B2 B3 B4 B5 B6 B7 B8 B9 C1 C6 C7	25	50	75
ICT practicals	A1 A2 A3 A4 A5 A6 A8 A9 A10 A11 B2 B3 B4 B5 B6 B7 B8 B9 C1 C5 C6 C7	4	8	12
Mixed objective/subjective test	A3 A4 A8 A10 A11 B2 B3 B5 B6 B7 B8 C1 C6	2	9	11
Personalized attention		1	0	1

(*)The information in the planning table is for guidance only and does not take into account the heterogeneity of the students.

Methodologies	
Methodologies	Description
Guest lecture / keynote speech	Presentation of the general aspects of the subject.
Case study	The core of the course will be the analysis of realistic investment projects. Additional exercises will deal with specific models and techniques.
ICT practicals	Development and application of analytical models using spreadsheet and / or specific software
Mixed objective/subjective test	Written examination of theoretical-practical content

Personalized attention	
Methodologies	Description



Mixed objective/subjective test Guest lecture / keynote speech ICT practicals Case study	Individualized tutoring will be carried out (in the official hours published by the Faculty for each teacher) through Microsoft Teams, as well as the short group tutorials that are scheduled. Outside these hours students will be able to raise questions through the forums established in Moodle.
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Assessment			
Methodologies	Competencies / Results	Description	Qualification
Mixed objective/subjective test	A3 A4 A8 A10 A11 B2 B3 B5 B6 B7 B8 C1 C6	With an essentially practical focus, pretends to measure the general quality of the learning, the skills and competencies developed by the students.	40
ICT practicals	A1 A2 A3 A4 A5 A6 A8 A9 A10 A11 B2 B3 B4 B5 B6 B7 B8 B9 C1 C5 C6 C7	ICTs have in this subject an instrumental role. Accordingly, while these skills will not be assessed directly, some evaluated problem solving might make use of IT tools.	0
Case study	A1 A2 A3 A4 A5 A6 A8 A10 A11 B2 B3 B4 B5 B6 B7 B8 B9 C1 C6 C7	The capacity to frame, solve and analyze models for investment project evaluation will be valued.	60

Assessment comments
<p>On the first opportunity evaluation 7 continuous evaluation tests, with a value of 1 point each, will be carried out. The worst mark will be discarded, so the maximum total score will be 6 points. The activities are integrated into the classes and will only be evaluated when they are carried out in the corresponding session. However, the qualification of one of the tests could be replaced by that obtained through participation in scheduled complementary activities (conferences, seminars...).</p> <p>The second evaluation opportunity will include the possibility to catch-up the continuous evaluation mark through a test that will be assessed on a maximum of 4 points, which will replace the mark obtained in the continuous first opportunity evaluation if it is higher.</p> <p>The final exam will have a value of 4 points, both in the first and second evaluation opportunities. In accordance with the applicable regulations, examinations must be carried out on the official dates established, except in the exceptional cases expressly considered in the academic regulations.</p> <p>The "absent" mark will be granted only to students participating in activities with a weight below 20% of the assessment, regardless of the rating achieved.</p> <p>In the advance call the evaluation is carried out through a specific proof comprehensive of the global contents and competences of the subject.</p>

Sources of information



Basic	<p>- BREALEY, R.A.; MYERS, S.C y ALLEN, F. (2010). PRINCIPIOS DE FINANZAS CORPORATIVAS, 9ª ed.. MacGraw-Hill</p> <p>- (). Principles of Corporate Finance.</p> <p>- Fernández Castro, A.S. e Iglesias Antelo, S. (2000). Métodos Cuantitativos de Selección de Inversiones. Casos prácticos. . Santiago: Tórculo Edicións</p> <p>Outras edicións do manual de Brealey & Myers, ou doutros destes autores, proporcionan tamén axuda para a maioría dos conceptos tratados.</p>
Complementary	<p>- Doldán, F. (2003). Métodos cuantitativos de selección de inversiones. . Santiago: Tórculo</p> <p>- Pindado García, J. (2012). Finanzas Empresariales.. Madrid: Paraninfo</p> <p>- Suárez, A. (2005). Decisiones óptimas de inversión y financiación en la empresa. . Madrid: Pirámide</p> <p>- Piñeiro, C.; de Llano, P (2006). Dirección Financiera: modelos avanzados de decisión con Excel. . Madrid: Delta</p> <p>- Boedo Vilabella, Lucía (2010). Evaluación de un proyecto de inversión en entornos de certeza, riesgo e incertidumbre. . Editorial Reprografía del Noroeste, A Coruña</p> <p>- Berk, J.; DeMarzo, P. (2017). Finanzas Corporativas / Corporate Finance. Pearson</p>

Recommendations

Subjects that it is recommended to have taken before

Financial Operations Analysis/611G02004
 Statistics I/611G02006
 Mathematics II/611G02010
 Financial Accounting I/611G02013

Subjects that are recommended to be taken simultaneously

Subjects that continue the syllabus

Finance Theory/611G02021
 Financial Planning/611G02034

Other comments

In the blended teaching scenario, face-to-face and online sessions would be combined, following the instructions of the institution. In face-to-face and blended scenarios, attempts would be made to facilitate, as far as possible, the online following of face-to-face sessions. The use of electronic devices (computers, tablets and phones) in the classroom may be authorised exclusively for academic uses.

(*The teaching guide is the document in which the URV publishes the information about all its courses. It is a public document and cannot be modified. Only in exceptional cases can it be revised by the competent agent or duly revised so that it is in line with current legislation.