FIN 5550: Advanced Financial Management: Theory and Policy (or, as I prefer to call it, "Strategic Financial Management and the Economics of Rational Thought")

"Let me tell you why you are here. You are here because you know something. What you know, you can't explain. But you feel it. You've felt it your entire life—that there's something wrong with the world. You don't know what it is, but it's there, like a splinter in your mind, driving you mad. It is this feeling that has brought you to me." — Morpheus

Instructor: Stephen Pruitt, Ph.D., Arvin Gottlieb/Missouri Endowed Chair of Business

Economics and Finance

Office: Bloch 331
Telephone: 816-235-2334
Email: pruittst@umkc.edu

Office Hours: I am generally available during the hour prior to class.

Course Objectives:

- (1) To teach you how to think rationally using state-of-the-art economic theories as your guide.
- (2) To impart greater knowledge pertaining to the successful management of the modern corporation—particularly with respect to executive-level financial decisions.
- (3) To gain a more thorough understanding of the critical inter-relationships between the finance, accounting, production, marketing, and management functions of the firm.

Textbooks:

The New Corporate Finance: Where Theory Meets Practice, edited by Don Chew (3rd edition).

The Invisible Heart: An Economic Romance, by Russell Roberts

About the Course:

The purpose of this course is *literally* to change the way you think. We all know that you are already superior students. You simply wouldn't be here now if you weren't. What I am interested in doing is making you a *much better* and *more critical* thinker. I want you to think *differently* (and much deeper) than your competition. When you are finished with this course, you will think like a well-trained financial economist—capable of making extraordinarily accurate assessments of likely future outcomes concerning all types of decisions—both financial and *personal*. It is my sincerest hope that you will become better spouses, better parents, better managers, better citizens, and, overall, better human beings as a result of this course.

This is *not* a "numbers" course—it is a course of logic and reasoning. There will be no calculations required except for the individual projects. Excel will serve as the basis for those calculations.

This *is* a "readings" course. The course readings assigned for each day, as well as select newspaper and magazine articles of currency, will serve as the basis for most of the class discussions.

Grading:

Midterm: 100 points Quizzes: 50 points Project: 100 points Final: 100 points

Total: 350 points

Plus/minus grades will be used in this course at the sole discretion of the instructor..

Course Schedule:

Since this is a readings course, and I want to allow ample time for spirited (and I do mean *spirited!*) class discussions (I expect you to fight as hard as I do), it is difficult to stick to a hard-and-fast schedule. Nonetheless, you will always have a pretty good idea where we are going simply by the titles of the articles on each day's calendar.

Important Dates:		
Midterm:	Project due:	Final Examination as scheduled
Important Notice		

All UMKC regulations regarding academic honesty and other policies will be strictly enforced. Information regarding these policies may be obtained from relevant UMKC websites and it is **your** responsibility to follow them. As it is with life itself, ignorance of the law is no excuse.