

# TM612 / EM675 Economic and Financial Analysis Spring 2009

<b>Instructor</b>	Dr. Tracy Christofero, PMP, CIPP/G Office 338 South Charleston Phone 304-746-2078 E-mail christofero@marshall.edu Office Hours Wednesday 9:00 – 11:30 am Appointment recommended Additional times by appointment
<b>Credits</b>	3 credit hours
<b>Date and Time</b>	Mondays 4:00 pm
<b>Location</b>	South Charleston – AC134 Huntington – SH263 Wimba – Remote

## Description

This course presents tools and techniques for financial analysis, cost estimation, budgeting, and control, for technology-oriented projects and organizations. This includes financial statements, economic analysis, reporting, and life-cycle costing and control principles. (PR: TM 610 or permission of Program Coordinator)

## Course Objectives

- Introduce financial statement analysis
- Enhance decision-making based on financial and economic analysis
- Provide general knowledge of cost control principles and methodologies
- Improve problem-solving skills
- Test Wimba's collaborative application for remote learning

## Required Texts

Fraser, L. M. & Ormiston, A. (2007). *Understanding financial statements* (8<sup>th</sup> ed.). Upper Saddle River, New Jersey: Prentice Hall.

Newnan, D. G., Eschenbach, T. G., & Lavelle, J. P. (2004). *Engineering economic analysis* (10<sup>th</sup> ed.). New York: Oxford University Press.

**HIGHLY Recommended Resource** – This will be used in most TM courses

APA Style Manual – Strongly suggested!

Publication Manual of the American Psychological Association (5<sup>th</sup> ed.).

## **Format**

This class is a test for the use of Wimba, a collaborative application for remote learning. All students have the option to participate remotely using Wimba via the Internet, or to attend class on either the Huntington or South Charleston campus. You need not choose in advance, however, if you participate remotely, you will need to have access to a computer with high-speed Internet connectivity and a Web cam, which can typically be purchased for a reasonable price. To access Wimba, go to MUOnline and select this course. A link to Wimba will be provided to connect you to our class.

Be aware, however, if you use Wimba you are still responsible to participate with class activities and presentations, etc. If you would like to use Wimba in teams on a shared computer, you are welcome to do so as long as every person participates. Be aware also that it will likely take all of us some time to become comfortable with this technology, and things may be hectic at times, but hey... this is Technology Management and I am sure we can work through any issues with a little tenacity and a big sense of humor!

## **Participation**

Participation means *active* attendance, attentiveness, preparedness, and making *meaningful* contributions to the class. Technology managers do not succeed hiding behind closed doors. They actively participate in writing and reviewing professional reports, making business presentations (often to C-level executives), and leading and engaging in financial discussions. Therefore, your participation grade will be based on your attendance (in-class or remotely), attentiveness, preparedness, and group participation activities.

## **Attendance**

Attendance of both your mental and physical (or remote) self is expected and appreciated. In-class assignments may be given and cannot be made up if you are not in attendance. You are responsible for understanding course materials whether or not you are present for class. All assignments must be submitted by their due date. No exceptions.

Whether you are physically in the classroom or participating remotely, cell phones must be put on silent or turned to vibrate. Please only take emergency calls. If you are attending remotely, please be sure the kids and pets are also put on silent.

## **Assignments**

Completion of readings and assignments is expected before the start of each class. You are expected to have access to the required textbooks, and be well prepared to share and discuss all assignments.

Assignments are to be completed and submitted via email attachment to [christofero@marshall.edu](mailto:christofero@marshall.edu) before the start of class on or before the due date. Again, late assignments will not be accepted. *Late* is defined as any email submission timestamped after the posted start time for the class.

Once I receive your submission, I will send you a quick acknowledgement within 24 hours. If you do not hear from me, please forward back your original emailed assignment, which includes the timestamp of the first submission.

The Subject line of assignment submissions *must* include the course number, your first initial and last name, and the assignment name. For example, if your name is John (or Jane) Doe, your first assignment would be identified as **TM612 JDoe Assignment1** in the Subject line. Submissions must be named under the same convention (TM612 JDoe Assignment1.doc or .xls). Be sure your name is also on your assignment!

All submissions must be written in a clear and concise manner, with good English grammar, punctuation, and spelling; and without technical jargon or slang. Prior to submitting assignments, a spelling and grammar check must be used (turn your spell- and grammar-check settings to their highest level), and a competent proof-reader engaged if you anticipate issues in this area. University resources are identified below. Failure to comply will lower your grade.

### Midterm Presentation/Report and Final Exam

Details of presentation and exam requirements will be provided in class. You will be required to demonstrate your understanding of the concepts presented in class and in the book, your ability to analyze data, and clearly and concisely present your findings. The attached Presentations Rubrics Matrix will be used to grade your presentation. It will also be used by the student audience to evaluate your work. Audience submission of the Presentation Rubrics for each presentation will count toward participation points. You are responsible for having the Matrix available to complete for each presentation. The attached Written Report Rubrics will be used to evaluate your final paper.

### Grading

Assignments	600	90-100 = A
Presentation/Report	150	80-89 = B
Exam	200	70-79 = C
Participation	50	< 70 = F

To calculate your grade, divide points by 10

## **Academic Dishonesty**

Dishonesty will not be tolerated! This warrants repeating... Dishonesty will not be tolerated! If you are not familiar with the University's policy, please review it at <http://www.marshall.edu/muonline/plagiarism.asp>. Please read it carefully. At minimum, dishonesty in this course will result in Failure for that assignment. Depending upon the severity of the offense, additional disciplinary actions are possible!

## **Students with Disabilities**

Marshall University is committed to equal opportunity in education for all students, including those with physical, learning and psychological disabilities. University policy states that it is the responsibility of students with disabilities to contact the Office of Disabled Student Services (DSS) in Prichard Hall 117, phone 304 696-2271 to provide documentation of their disability. Following this, the DSS Coordinator will send a letter to each of the student's instructors outlining the academic accommodation he/she will need to ensure equality in classroom experiences, outside assignment, testing and grading. The instructor and student will meet to discuss how the accommodation(s) requested will be provided. For more information, please visit <http://www.marshall.edu/disabled> or contact Disabled Student Services Office at Prichard Hall 11, phone 304-696-2271.

## **Resources**

MU Writing Center and Resources

<http://www.marshall.edu/english/writingcenter/owc/>

<http://www.marshall.edu/english/writingcenter/writingresources.html>

## **Questions?**

Do not hesitate to contact me if you have any questions, comments, or concerns about this or other classes, the TM Program, or student life in general.

The best method is via email. I am typically available periodically throughout the day and most evenings. If you do not receive a response within 24 hours, please contact me again.

If you would like a face-to-face meeting, I am typically available in South Charleston most days and am generally in Huntington at least once a week. If you cannot meet during the day, evening meetings may be arranged.

## TM612 / EM675 Presentation Rubrics

Presenter \_\_\_\_\_ Reviewer \_\_\_\_\_

Presentation \_\_\_\_\_

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>Total</b>
<b>Organization</b>	Audience cannot understand presentation because there is no sequence of information.	Audience has difficulty following presentation because student jumps around.	Student presents information in logical sequence which audience can follow.	Student presents information in logical, interesting sequence which audience can follow.	
<b>Subject Knowledge</b>	Student does not have grasp of information; student cannot answer questions about subject.	Student is uncomfortable with information and is able to answer only rudimentary questions.	Student is at ease with expected answers to all questions, but fails to elaborate.	Student demonstrates full knowledge (more than required) by answering all class questions with explanations and elaboration.	
<b>Graphics</b>	Student uses superfluous graphics or no graphics	Student occasionally uses graphics that rarely support text and presentation.	Student's graphics relate to text and presentation.	Student's graphics explain and reinforce screen text and presentation.	
<b>Mechanics</b>	Student's presentation has four or more spelling errors and/or grammatical errors.	Presentation has three misspellings and/or grammatical errors.	Presentation has no more than two misspellings and/or grammatical errors.	Presentation has no misspellings or grammatical errors.	
<b>Elocution</b>	Student mumbles, incorrectly pronounces terms, and speaks too quietly for students in the back of class to hear.	Student's voice is low. Student incorrectly pronounces terms. Audience members have difficulty hearing presentation.	Student's voice is clear. Student pronounces most words correctly. Most audience members can hear presentation.	Student uses a clear voice and correct, precise pronunciation of terms so that all audience members can hear presentation.	
Comments:				<b>Points</b>	
				<b>Total Points</b>	
Based on Assignment Points				<b>Multiplier</b>	
				<b>TOTAL POINTS</b>	

## TM612 / EM675 Report Rubrics

Presenter \_\_\_\_\_ Reviewer \_\_\_\_\_

Presentation \_\_\_\_\_

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>Total</b>
<b>Organization</b>	The document is not visually appealing. There is no apparent ordering of paragraphs, and no progressive flow of ideas.	Small errors are present. The order in which ideas are presented is occasionally confusing.	The document is organized. Use of white space, headings, fonts, and typography help the reader navigate the document, although the layout could be more effective.	The document is visually appealing and easily navigated. Appropriate typography and usage of white space, headings, and fonts are used to separate blocks of text and add emphasis.	
<b>Mechanics</b>	Errors in sentence structure and grammar frequently distract the reader and interfere with meaning. There is unnecessary repetition of the same words and phrases. There is an overuse of jargon and technical terms without definition. There are many misspelled words.	A few errors in sentence structure and grammar distract the reader and interfere with meaning. Word choices could be improved. Technical jargon is used without definition. There are a few misspelled words.	For the most part, sentences are complete and grammatically correct. Any errors are minor and do not distract the reader. There may be one or two misspelled words. Repetition of words and phrases is generally avoided.	Sentences are complete and grammatically correct. Words are chosen for their precise meaning. No misspelled words are present, and correct verb tenses are used.	
<b>Research</b>	Connection between references and what is written is not clear. Little investigation has been done.	A literature review has been conducted from only a few or similar sources. Discussion and documentation is overly generalized.	An investigation of literature from multiple sources has been conducted and documented, however it lacks depth or breadth. Additional discussion may be warranted in places.	A thorough investigation of relevant literature from multiple sources has been conducted and well documented.	
<b>References</b>	References were not cited in-text and/or in the Reference section and was clearly not in APA format.	Some references were not cited in-text and/or in the Reference section, or little attempt was made to use APA.	References are cited in-text and in the Reference section with minor errors in APA format.	References are appropriately cited in-text and in the Reference section per APA.	
Comments:				<b>Points</b>	
				<b>Total Points</b>	
Based on Assignment Points				<b>Multiplier</b>	
				<b>TOTAL POINTS</b>	

## TM612 / TM675 Team Member Contribution Evaluation

Your Name: \_\_\_\_\_ Date: \_\_\_\_\_

Assignment: \_\_\_\_\_

1. Participation - Assess the amount of the time and effort this person dedicated to assignment meetings and discussions, including emails. Full participation = 100. No participation = 0.
  2. Contribution - Assess the amount of time and effort this person dedicated to preparing for or completing the assignment. Full participation = 100. No participation = 0.
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Team Member being evaluated: \_\_\_\_\_

1. Participation: \_\_\_\_\_ 2. Contribution: \_\_\_\_\_

Comments (not required):  
\_\_\_\_\_  
\_\_\_\_\_

Team Member being evaluated: \_\_\_\_\_

1. Participation: \_\_\_\_\_ 2. Contribution: \_\_\_\_\_

Comments (not required):  
\_\_\_\_\_  
\_\_\_\_\_

Team Member being evaluated: \_\_\_\_\_

1. Participation: \_\_\_\_\_ 2. Contribution: \_\_\_\_\_

Comments (not required):  
\_\_\_\_\_  
\_\_\_\_\_

### **Evaluate yourself:**

1. Participation: \_\_\_\_\_ 2. Contribution: \_\_\_\_\_

Comments (not required):

<b>Class Dates</b>	<b>Topics</b>	<b>Assignments</b>
<b>Week 1</b> January 12	<ul style="list-style-type: none"> <li>• Introductions</li> <li>• Administrative Info</li> <li>• Changing Role of the TM</li> <li>• Financial Statements</li> </ul>	Fraser, Chapters 1 and 2  Assignment1
<b>Week 2</b> January 19	Holiday No Class!	
<b>Week 3</b> January 26	<ul style="list-style-type: none"> <li>• Business Research Talks</li> <li>• The Balance Sheet</li> </ul>	Fraser, Chapter 3  Assignment2
<b>Week 4</b> February 2	<ul style="list-style-type: none"> <li>• Financial Statements: <ul style="list-style-type: none"> <li>◦ Income Statement</li> </ul> </li> </ul>	Fraser, Chapter 4  Assignment3
<b>Week 5</b> February 9	<ul style="list-style-type: none"> <li>• Financial Statements: <ul style="list-style-type: none"> <li>◦ Cash Flow</li> </ul> </li> </ul>	Fraser, Chapters 5 and 6  Assignment4
<b>Week 6</b> February 16	<ul style="list-style-type: none"> <li>• Financial Statements: <ul style="list-style-type: none"> <li>◦ Quality</li> <li>◦ Analysis</li> </ul> </li> <li>• Presentation Rubrics</li> </ul>	All presentation slides due by midnight February 22. Be prepared to be called upon to present at any of the below sessions  Assignment5
<b>Week 7</b> February 23	<ul style="list-style-type: none"> <li>• Presentations</li> </ul>	Mandatory Attendance - Assignment 6.1 -Complete Presentation Rubrics
<b>Week 8</b> March 2	<ul style="list-style-type: none"> <li>• Presentations</li> </ul>	Mandatory Attendance - Assignment 6.2 - Complete Presentation Rubrics
<b>Week 9</b> March 9	<ul style="list-style-type: none"> <li>• Presentations</li> </ul>	Mandatory Attendance - Assignment 6.3 - Complete Presentation Rubrics  Newnan: Chapters 1 & 2
<b>Week 10</b> March 16	<ul style="list-style-type: none"> <li>• Economic Analysis: <ul style="list-style-type: none"> <li>◦ Decision-Making Process</li> <li>◦ Costs and Cost Estimating</li> <li>◦ Interest and Equivalence</li> </ul> </li> </ul>	Written Report due Team Evaluations Due Newnan Chapters 3 & 4 Assignment7

<b>Week 11</b> March 23	Spring Break No Class!	
<b>Week 12</b> March 30	<ul style="list-style-type: none"> <li>• Economic Analysis: <ul style="list-style-type: none"> <li>○ Interest and Equivalence</li> <li>○ Present Worth</li> <li>○ Annual Cash Flow Analysis</li> </ul> </li> </ul>	Newnan: Chapters 5 & 6 Assignment8
<b>Week 13</b> April 6	<ul style="list-style-type: none"> <li>• Economic Analysis: <ul style="list-style-type: none"> <li>○ Rate of Return</li> <li>○ Analysis Techniques</li> </ul> </li> </ul>	Newnan: Chapters 7 & 9 Assignment9
<b>Week 14</b> April 13	<ul style="list-style-type: none"> <li>• Economic Analysis: <ul style="list-style-type: none"> <li>○ Uncertainty</li> </ul> </li> </ul>	Newnan: Chapter 10 Assignment10
<b>Week 15</b> April 20	<ul style="list-style-type: none"> <li>• Economic Analysis: <ul style="list-style-type: none"> <li>○ Depreciation</li> <li>○ Taxes</li> </ul> </li> </ul>	Newnan: Chapters 11 & 12 Assignment11
<b>Week 16</b> April 27	<ul style="list-style-type: none"> <li>• Economic Analysis: <ul style="list-style-type: none"> <li>○ Inflation</li> <li>○ Selection of a MARR</li> </ul> </li> </ul>	Newnan: Chapters 14 & 15 Assignment 12
<b>Week 17</b> May 4	TBD	Final Exam

Schedule and assignments subject to change.