

OPEFIN-A OPERATIONAL FINANCE

Introduction

This course will enable you to:

- Analyze the financial statements of a company
- Give a diagnosis of the financial situation of the company
- Propose remedial actions if required

Objectives

You will see how balance sheets and income statements relate. This will give you a full understanding of both financial statements, which were already introduced in the previous Financial Accounting course.

Learning Outcomes

- Evaluate the basic characteristics of a business model
- Analyze and interpret financial statements
- Execute financial forecasts
- Diagnose financial problems
- Design action plan to remedy such problems

Competences

General Competences:

- Strategic decision making
 - Sound judgment, even in complex and difficult circumstances
 - Quantitative skills
- Specific Competences:
- Risk Management
 - Understanding and applying tools for financial analysis
 - Sensitivity towards stakeholder needs and concerns when making financial decisions

Content

The emphasis will be placed on the financing required for the normal operations (sales) of the company, i.e., to finance current assets and current liabilities related to sales. Finally, this course will enable you to see the financial consequences of your decisions in operations, marketing, etc. All these decisions have an effect on the balance sheet.

Methodology

Cases. After studying each note, we will apply that knowledge to the cases. You should be prepared to dedicate 2-3 hours per case.

Preparation sheet (PS). In order to save time, I recommend you to follow closely the preparation sheet of every case.

Exhibits, supplements to do and done.

Evaluation

Professionalism 30% and Final Exam 70%. Professionalism includes any type of participation during the course. The details about the grading policy will be explained in class.

Professor's Biography



Prof. Stefano Sacchetto
Professor of Financial Management

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M.Res. in Economics, London Business School
M.Sc. in Economics, Bocconi University
B.A. in Business and Economics, University of Turin

Biography

Stefano Sacchetto is an Assistant Professor at IESE's Financial Management Department. He holds a Ph.D. and M.Res. in Economics from London Business School, a M.Sc. in Economics from Bocconi University, and a B.A. in Business and Economics from the University of Turin.

Prof. Sacchetto's main areas of research are corporate finance and corporate restructuring, with a focus on mergers and acquisitions, and firms' investment and capital structure decisions.

Before joining IESE, Prof. Sacchetto was an assistant professor of finance at the Tepper School of Business, Carnegie Mellon University. His research has been published in the Journal of Financial Economics, the Journal of Economic Dynamics and Control, and Applied Economics.

Areas of interest

- Corporate Finance
- Corporate Restructuring
- Mergers and Acquisitions