COLLEGE OF BUSINESS
Illinois State University

MBA 440

Financial Management

Dr. Yaman Ömer Erzurumlu

Instructor	Course Information[1]	
Illinois State University	Section	: 1 & 2
College of Business	Terms	: 2026-2027 Fall
Department of Finance, Insurance and Law	Time	: Monday 7.45pm – 9.15pm
E-mail: yoerzur@ilstu.edu	Course Credit Hours	: 3
Office Hours: Monday 5.00 pm – 6.00 pm	Classroom	: SFHB 147
Office: SFHB 240	Course Type	: Hyflex

Course Objective and Learning Objectives

MBA 440 introduces the fundamental concepts and theories of financial management. The course is mainly designed as multiple sections containing relevant chapters. First section is financial reporting and analysis. This section reviews the financial statements and the analysis of these statements, including ratio and DuPont analyses. Second section is financial planning. This section covers the pro-forma statements and cash budgeting. Third and the last section begins with introduction of the time value of money (TVM) and the risk-return relationship. Upon the introduction of TVM and risk-return relationship, we delve into project valuation, project cash flow analysis, cost of capital, and real option analysis. Throughout the course, all subjects are reviewed through comprehensive cases that show the students how these principles apply in the real world.

Course Structure

The course will be carried face to face. Office hours will be held both face-to-face and online. Students who have questions can have either an online or a face-to-face meeting with the instructor during the office hours.

I. The students who have succeeded in this course;

   Understand the general overview of financial management and concepts of financial markets,

II. **Evaluating** and **analyzing** the financial statements, conducting ratio analysis,

III. **Gain** the ability to construct proforma statements; **conduct** cash budget and free cash flow analysis

[1] It is essential that the syllabus announced at the beginning of the term is not changed except when necessary. When a requirement occurs, the curriculum can be changed by the lecturer of the course by notifying this situation in writing or verbally beforehand. It is the student's responsibility to follow the current program.

IV. **Understand and gain** the ability to use the time value of money in various ways for financial decision-making,
V. **Understand** the dynamics of short-term financial management, **learn** the short-term financial management tools and .
VI. **Evaluate** a project using capital budgeting techniques (NPV, etc.)
VII. **Learn** to embed uncertainty to the evaluation process using appropriate techiques
VIII. **Determining** the appropriate technique and **apply** to evaluate a standalone project or a company

Online Office Hours

To book a reservation for an online call or face-to-face meeting outside office hours, I appreciate if you could email me a day before.

Course Policy

Communication Channels and Methods:

You can use Canvas's chat tool or your device's microphone to ask questions during the virtual class. You must use the messaging system of Canvas for your questions outside the virtual class hours. You must follow the announcements published on Canvas.

Usage of Digital Tools:

Virtual classes are held on the Canvas application. The synchronous learning is on Canvas. You must access Canvas through your computer (not your cell phone).

The asynchronous learning materials are uploaded to the Canvas system. The materials are chapter slides including detailed course notes and syllabus. All the in-term activities, including quizzes and the midterm exams, are given on the Canvas system. Exam results will also be announced on Canvas. Some homework will be given on Connect website. You need to obtain the ebook and register for the course in the first two weeks of the course. One-page instruction is available under Canvas

A tool with time value of money (TVM) functions:

A financial calculator (e.g., Texas Instruments BAII+), Excel, or a TVM app. The instructor will use both the financial calculator and Excel. You will need a simple Financial calculator for the in class exams and quizzes.

Computer access:

You must have access to a computer with internet access, Microsoft Office (Word, Excel, and PowerPoint, at the very least), and the ability to record videos. Also, do not expect to complete course activities with your phone.

OPTIONAL:

Excel Crash Course on www.wallstreetprep.com (WSP) may warm you up for using Excel. https://gv142.infusionsoft.com/app/manageCart/addProduct?productId=7579 is the link to Access to the page to purchase the access code to the course.

Assignments and Project Deadline:

All homework posted on Connect must be completed within a week for full credit. You could complete them after one week. However, your grade will be reduced by 50%. Homework will close a day before the final exam.

All team projects must be returned on the due date. Failure will result in a 50% penalty within a week. No homework will be accepted after 1 week overdue. All projects will be 3 people (or less) group work. One submission per group is sufficient. Failure to communicate with group members and participate will lead to no grade for that specific assignment. A single submission for the whole group is sufficient

Attendance:

Students are expected to attend the classes. I will not take attendance. **Face to Face Section students must maintain a 75% attendance face to face. They cannot follow the class online.**

Disabled Student Support

Any student needing to arrange a reasonable accommodation for a documented disability and/or medical/mental health condition should contact Student Access and Accommodation Services at 308 Fell Hall, Office Phone (309) 438-5853, Video Phone (309) 319-7682 or visit the website at StudentAccess.IllinoisState.edu. No, later than the end of the first week of class.

Oral and Written Communication Ethics:

Since you are training to become a professional, we always expect you to express yourself respectfully and cordially in communicating with your friends and the course instructor.

Matters Needing Attention

- Make sure that you read all weekly course materials.
- Participate positively in classroom activities and discussions.
- Attend the classes actively every week.
- You are responsible for obtaining the book and creating your online account on myfinancelab.

Course Resources

Textbook: Block, Hirth, Danielsen and Warr, Foundations of Financial Management, McGraw Hill, 2025

Reference Book: Titman, Keown and Martin, Financial Management 14th ed., Pearson, 2021

Gitman L., Principles of Managerial Finance, Pearson, 2006

Brealey, Myers, Marcus "Fundamentals of Corporate finance" 11th edition MacGraw Hill

Grading and Evaluation

Assignment	Description	Scoring	Weight (%)
Case Studies and projects	We will have 2 case studies. One on Time Value of money, second on Capital budgeting. Last session of these chapters will be case study discussion.	100	16
Online Homework	Online homework will be accessed through Canvas and done on Connect. There will be one upon the completion of the chapter	100	16
Quizzes	There will be 8 quizzes online. They will become active immediately after the asynchronous material is made available. They will remain accessible until Sunday midnight. Though, there will be time limitation once you access.	100	16
Midterm	Project 1: Ratio analysis will count as your first midterm grade. Project 2: Proforma statement analysis will count as your second midterm grade. You will present Project 1 in class.	100	36
Final	Project 3: Firm valuation using FCF, DDM and RI methods will count as your final grade. You will present them with your group.	100	18
TOTAL			**100**

FALL 2026 COURSE CALENDAR					
WK.	**MO.**	**CHAPTER**	**DATE**	**TOPIC**	**ASSESMENT**
1	**AUG.**	**2**	Mon. 17	Course Introduction / Review of Accounting	
		2	Wed. 19	Review of Accounting	HW1 posted
2		**2**	Mon. 24	Financial Analysis	
		3	Wed. 26	Financial Analysis	HW2 posted
3		**3**	Mon. 31	Application: Financial Analysis	Project 1 posted
	SEP.	**3**	Wed. 2	Financial Forecasting	
4			Mon. 7	**LABOUR DAY**	
		4	Wed. 9	Financial Forecasting	
5		**4**	Mon. 14	Application: Financial Forecasting	HW3 posted / Project 2 posted
		4	Wed. 16	Operating and Financial Leverage	
6			Mon. 21	Application: Operating and Financial Leverage	
			Wed 23	**MIDTERM**	**PROJECT 1 presentation**
7		**5**	Mon. 28	Time Value of Money 1	
		5	Wed. 30	Time Value of Money 2	HW 4 posted
8	**OCT.**	**9**	Mon. 5	Application: TVM	Project 2 is due / Case 1 posted
		9	Wed. 7	Valuation and Rates of Return	
9		**9**	Mon. 12	**CASE 1 DISCUSSION**	Case 1 due
		9	Wed. 14	Valuation and Rates of Return	
10		**10**	Mon. 19	Application: Valuation and Rates of Return	HW 5 posted
		10	Wed. 18	Capital Budgeting Decision (Techniques)	
11		**10**	Mon. 26	Application: Capital Budgeting Decision (Techniques)	HW 6 posted
		12	Wed. 28	Capital Budgeting Decision (Free Cash Flow)	
12	**NOV.**	**12**	Mon. 2	Application: Capital Budgeting Decision (Free Cash Flow)	HW 7 posted / Project 2 posted
		12	Wed. 4	Capital Budgeting Cash Flow	
13		**12**	Mon. 9	Application: Capital Budgeting Cash Flow	Case 2 posted
		12	Wed. 11	Cost of Capital	
14		**11**	Mon. 16	**CASE 2 DISCUSSION**	Case 2 due

		11	Wed. 18	Application: Cost of Capital	HW 8 posted
15			Mon. 23	**THANKSGIVING BREAK**	
			Wed. 25	**THANKSGIVING BREAK**	
16			Mon. 30	**F2F SECTION PROJECT 3 PRESENTATIONS**	
	DEC.		Wed. 02	**ONLINE SECTION PROJECT 3 PRESENTATIONS**	