

Module Syllabus

MIM111 Finance for Management

Lecturer:	Denis Boevskiy
Term, year:	Winter, 2024
Number of ECTS:	8
Email:	Denis.boevskiy@faaculty.gbsb.global

1. Module Description

This unit aims at contemporary frameworks for analyzing and making financial decisions to support operations and business strategy. Students will examine and learn how corporate financial policy is enacted in various operating and business strategy decisions, including managing working capital and cash flow, capital budgeting and investment decisions, and maintaining long-term capital structure.

Additionally, this unit also explores several techniques of financial economics such as time value of money, financial risk, cost of capital, discounted cash flow, valuation of financial instruments, return on investment, and risk management in investment decisions.



Throughout the unit, students apply financial principles, concepts, and analytical tools in practical assignments that will simulate the reality of the marketplace, providing them with the opportunity to make recommendations after examining key financial issues and their strategic consequences.

NOTE: The content of this module is regulated by the Malta Further and Higher Education Authority (MFHEA).

2. Module Learning Outcomes

Competencies – at the end of the module/unit the learner will have acquired the responsibility and autonomy to:

- a) C.1. Construct and diagnose the interconnectivity between the firm's financial management, the global economy, and financial markets;
- b) C.2. Create a research-based diagnosis to issues in business finance to recommend managerial and investment strategies;
- c) C.3. Manage financial and investment projects and demonstrate the ability to respond to the changing global economy and financial markets conditions;
- d) C.4. Take responsibility for the importance of ethical standards in business finance and accounting.

Skills – at the end of the module/unit the learner will have acquired the following skills:

- a) S.1. Demonstrate capability in using financial accounting knowledge and skills in analyzing external financial statements and making informed decisions through the identification and application of appropriate KPIs;
- b) S.2. Demonstrate capability in using managerial accounting knowledge and skills in making informed decisions in both internal and external business scenarios;
- c) S.3. Manage plans for investment, financial analysis, and financial planning and control by demonstrating specialized knowledge of the time value of money, risk, future returns, and the capital investment decision process;

Judgment Skills and Critical Abilities – at the end of the module/unit the learner will have acquired the following judgement skills and critical abilities:

The learner will be able to:

- a) JS.1. Perform critical evaluation of how the global business environment affects the financial management of firms and organizations;
- b) JS.2. Critically analyze the significance of the financial factors that shape business operations;
- c) JS.3. Critically analyze, propose and be able to manage reasoned solutions and approaches to issues in financial management;
- d) JS.4. Perform critical evaluation of the impact of the changes in current market conditions and make the right financial decisions to maintain the sustainability of businesses.

3. Module Topics and Content

Week	Topics and Content	Class Activities	Assessment	Readings
Week 1	<p>Class 1</p> <p>Module Introduction</p> <p>The Role of Financial Information for Decision-Making:</p> <ul style="list-style-type: none"> Financial Accounting Managerial Accounting The Annual Report 	<p>Discussion: Annual Report</p> <p>20 minutes</p> <p>Please refer to section 4.3.1 for more details.</p>		<p>Williams, J. R., Haka, S. F., Bettner, M. S., Carcello, J. (2017). <i>Financial & Managerial Accounting: The Basis for Business Decisions (18th ed.)</i>. Boston: McGraw-Hill/Irwin. Ch. 1</p> <p>Subramanyam, K. (2013). <i>Financial Statement Analysis (11th ed.)</i> McGraw-Hill Education. Ch. 2</p> <p>Weygandt, J. J., Kimmel, P. D., Kieso, D. E., & Aly, I. M. (2018). <i>Managerial Accounting: Tools for Business Decision-making</i>. John Wiley & Sons. Ch. 1</p>
	<p>Class 2</p> <p>Understanding the Business from its Financial Statements:</p> <ul style="list-style-type: none"> The Four Financial Statements, Structure and Components <ul style="list-style-type: none"> - Balance Sheet - Practical Exercises (Balance Sheet of a real company) 	<p>Case Study</p> <p>Financial situation of a business using the Balance Sheet.</p> <p>15 minutes</p> <p>Please refer to section 4.3.2 for more details.</p>		<p>Williams, J. R., Haka, S. F., Bettner, M. S., Carcello, J. (2017). <i>Financial & Managerial Accounting: The Basis for Business Decisions (18th ed.)</i>. Boston: McGraw-Hill/Irwin. Ch. 2</p> <p>Subramanyam, K. (2013). <i>Financial Statement Analysis (11th ed.)</i> McGraw-Hill Education. Ch. 2</p>
Week 2	<p>Class 3</p> <p>Understanding the Business from its Financial Statements cont.:</p> <ul style="list-style-type: none"> The Four Financial Statements, structure, and components <ul style="list-style-type: none"> - Income Statement - Practical Exercises (Income Statement of a real company) 	<p>Case Study</p> <p>Financial Situation of a Business using the Income Statement.</p> <p>15 minutes</p> <p>Please refer to section 4.3.3 for more details.</p>		<p>Williams, J. R., Haka, S. F., Bettner, M. S., Carcello, J. (2017). <i>Financial & Managerial Accounting: The Basis for Business Decisions (18th ed.)</i>. Boston: McGraw-Hill/Irwin. Ch. 2</p> <p>Subramanyam, K. (2013). <i>Financial Statement Analysis (11th ed.)</i> McGraw-Hill Education. Ch. 2</p>

	<p>Class 4</p> <p>Understanding the Business from its Financial Statements cont.:</p> <ul style="list-style-type: none"> • Cash Flow Statement • Statement of Changes in Equity • Users of the Financial Statement Information 	<p>Individual Task</p> <p>Analyzing the Business Cash Flow Activities.</p> <p>15 minutes</p> <p>Please refer to section 4.3.4 for more details.</p>	<p>Formative Assessment 1 (15%): Case Study 1</p> <p>Understanding the business's financial condition using the Balance Sheet and Income Statement.</p> <p>Please refer to section 4.1.1 for more details.</p> <p>To be uploaded on the VLE.</p>	<p>Williams, J. R., Haka, S. F., Bettner, M. S., Carcello, J. (2017). <i>Financial & Managerial Accounting: The Basis for Business Decisions (18th ed.)</i>. Boston: McGraw-Hill/Irwin. Ch.2 and Ch. 13</p> <p>Subramanyam, K. (2013). <i>Financial Statement Analysis (11th ed.)</i> McGraw-Hill Education. Ch. 7</p>
Week 3	<p>Class 5</p> <p>Tools to Analyze Financial Information for Decision-Making:</p> <ul style="list-style-type: none"> • Interpreting the Business Financial Performance: • Comparative Financial Statement Analysis • Financial Ratios, the connection between Financial Statements: <ol style="list-style-type: none"> 1. Liquidity Ratios 2. Activity Ratios 3. Leverage Ratios 4. Profitability Ratios 5. Market Ratios - Industry-Specific Ratios Analysis and Assessment 	<p>Practical Session</p> <p>A Malta-based Business.</p> <p>15 minutes</p> <p>Please refer to section 4.3.5 for more details.</p>		<p>Williams, J. R., Haka, S. F., Bettner, M. S., Carcello, J. (2017). <i>Financial & Managerial Accounting: The Basis for Business Decisions (18th ed.)</i>. Boston: McGraw-Hill/Irwin. Ch. 2</p> <p>Brealey, R., Myers, S., Allen, F. (2019). <i>Principles of Corporate Finance (13th ed.)</i>. McGraw-Hill Education (10th). Ch. 28</p>
	<p>Class 6</p> <p>Case Study: Fundamental and Financial Statements Analysis for Business Decision-Making – Practical Exercise:</p> <ul style="list-style-type: none"> • Financial Statement and Ratio Analysis • Industry Analysis • Understanding the Business, from its Financial Statements • Creating Value for a Business: Making Informed Business Decisions 	<p>Practical Session</p> <p>Industry-specific ratio analysis – a Malta-based Business.</p> <p>20 minutes</p> <p>Please refer to section 4.3.6 for more details.</p>		<p>Williams, J. R., Haka, S. F., Bettner, M. S., Carcello, J. (2017). <i>Financial & Managerial Accounting: The Basis for Business Decisions (18th ed.)</i>. Boston: McGraw-Hill/Irwin. Ch. 2</p> <p>Weygandt, J. J., Kimmel, P. D., Kieso, D. E., & Aly, I. M. (2018). <i>Managerial Accounting: Tools for Business Decision-making</i>. John Wiley & Sons. Ch. 14</p>

Week 4	<p>Class 7</p> <p>Stakeholders of an Organization:</p> <ul style="list-style-type: none"> Types of Stakeholders Shareholder vs Stakeholder The Agency Problem The Role and Goals of the Finance Manager in a Corporation <ol style="list-style-type: none"> Long-Term Financial Planning and Decision-Making: <ul style="list-style-type: none"> Investment decisions Capital Financing Dividend Decisions Short-Term Financial Decisions: <ul style="list-style-type: none"> Short-Term Financing Cash and Liquidity Management Credit and Inventory Management 	<p>Case Study</p> <p>The Principal-Agent Problem (Enron Case)</p> <p>15 minutes</p> <p>Please refer to section 4.3.7 for more details.</p>	<p>Formative Assessment 2 (10%): Practical Skills Assessment 1</p> <p>Understanding the Business condition using Comparative Financial Statement, Ratio, and Industry Analysis.</p> <p>Please refer to section 4.1.2 for more details.</p> <p>To be uploaded on the VLE.</p>	<p>Williams, J. R., Haka, S. F., Bettner, M. S., Carcello, J. (2017). <i>Financial & Managerial Accounting: The Basis for Business Decisions (18th ed.)</i>. Boston: McGraw-Hill/Irwin. Ch. 1 and Ch 2</p> <p>Brealey, R., Myers, S., Allen, F. (2019). <i>Principles of Corporate Finance (13th ed.)</i>. McGraw-Hill Education (10th). Ch.12 and Ch.13</p>
	<p>Class 8</p> <p>Long-Term Financial Planning and Growth for Business Sustainability:</p> <ul style="list-style-type: none"> The Long-Term Concept in Financial Planning and Decision-Making The Importance of Long-Term Financial Planning for Businesses – Corporate Finance Perspective Sustainable and Internal Growth Rates Building a Business Long-Term Financial Plan Goals: Considerations 	<p>Direct Question and Response</p> <p>AMAZON.COM, INC Long-Term Financial Planning for Business Sustainability.</p> <p>20 minutes</p> <p>Please refer to section 4.3.8 for more details.</p>		<p>Williams, J. R., Haka, S. F., Bettner, M. S., Carcello, J. (2017). <i>Financial & Managerial Accounting: The Basis for Business Decisions (18th ed.)</i>. Boston: McGraw-Hill/Irwin. Ch. 23</p> <p>Asquith, P., & Weiss, L. A. (2019). <i>Lessons in Corporate Finance: A Case Studies Approach to Financial Tools, Financial Policies, and Valuation</i>. John Wiley & Sons. Ch. 7</p>
Week 5	<p>Class 9</p> <p>Risk and Return:</p> <ul style="list-style-type: none"> The Concept of Business and Risk Types of Risks: Systematic and Unsystematic Risk Expected Returns of a Portfolio of Investments The Importance of Portfolio Diversification for a Business The Beta of a Company (β) 	<p>Direct Question and Response</p> <p>Risk and Return - The Company's Beta.</p> <p>15 minutes</p> <p>Please refer to section 4.3.9 for more details.</p>		<p>Brealey, R., Myers, S., Allen, F. (2019). <i>Principles of Corporate Finance (13th ed.)</i>. McGraw-Hill Education (10th). Ch.7 and Ch. 9</p>
	<p>Class 10</p> <p>Funding the Business Operations - Capital Structure:</p>	<p>Individual Task</p> <p>The Business Debt and Equity</p>	<p>Formative Assessment 3 (10%): Quiz #1</p>	<p>Brealey, R., Myers, S., Allen, F. (2019). <i>Principles of Corporate Finance (13th ed.)</i>.</p>

	<ul style="list-style-type: none"> Debt: Introduction and Types of Debt (Loans and Bonds) Equity: Introduction and Types of Equity Sources of Capital: <ul style="list-style-type: none"> Retained Earnings Equity and Equity valuation: The Capital Asset Pricing Model CAPM and Security Markey Line SML Bonds and Bonds Valuation: Interest Rates and Taxes Deciding among Sources: The Impact of the Cost of Capital decision for Business Financial Success - The Weight Average Cost of Capital (WACC) 	20 minutes Please refer to section 4.3.10 for more details.	Beta, Risk and Return and Portfolio Diversification Please refer to section 4.1.3 for more details. To be uploaded on the VLE.	McGraw-Hill Education (10 th). Ch.18 Dutta, S., & Nezlobin, A. (2017). Information Disclosure, Firm Growth and the Cost of Capital. <i>Journal of Financial Economics</i> , 123(2), 415-431
Week 6	Class 11 Long-Term Decisions Capital Structure: <ul style="list-style-type: none"> The Business Debt to Equity Ratio Decisions Factors Affecting Target Capital Structure Capital Structure and Corporate Taxes Considerations 	Case Study/Direct Question and Response Capital Structure Starbucks Corporation 15 minutes Please refer to section 4.3.11 for more details.		Subramanyam, K. (2013). <i>Financial Statement Analysis (11th ed.)</i> McGraw-Hill Education. Ch. 3 Brealey, R., Myers, S., Allen, F. (2019). <i>Principles of Corporate Finance (13th ed.)</i> . McGraw-Hill Education (10 th). Ch. 28
	Class 12 Business Valuation Techniques: The Value of the Money in Time: <ul style="list-style-type: none"> TVM – Definition, Elements and Formula The Concept of TVM and PV, NPV and Risk The Importance of the TVM for Corporations – The Firm’s Value 	Practical Session TVA 15 minutes Please refer to section 4.3.12 for more details.	Formative Assessment 4 (20%): Case Study 2 Netflix Debt Funding (15%) Please refer to section 4.1.4 for more details. To be uploaded on the VLE.	Williams, J. R., Haka, S. F., Bettner, M. S., Carcello, J. (2017). <i>Financial & Managerial Accounting: The Basis for Business Decisions (18th ed.)</i> . Boston: McGraw-Hill/Irwin. Ch. 26A Brealey, R., Myers, S., Allen, F. (2019). <i>Principles of Corporate Finance (13th ed.)</i> . McGraw-Hill Education (10 th). Ch. 2
Week 7	Class 13 Long-Term Decisions - Capital Budgeting Valuation Techniques: <ul style="list-style-type: none"> Project Analysis and Evaluation Tools and Types: 	Practical Session NPV 15 minutes		Williams, J. R., Haka, S. F., Bettner, M. S., Carcello, J. (2017). <i>Financial & Managerial Accounting: The Basis for Business</i>

	<ul style="list-style-type: none"> - Traditional or Non-Discounted Investment Criteria: Payback Period - Non-Traditional or Discounted Investment Criteria: <ul style="list-style-type: none"> • Net Present Value (NPV) • Internal Rate of Return (IRR) 	Please refer to section 4.3.13 for more details.		<p><i>Decisions (18th ed.)</i>. Boston: McGraw-Hill/Irwin. Ch. 26</p> <p>Brealey, R., Myers, S., Allen, F. (2019). <i>Principles of Corporate Finance (13th ed.)</i>. McGraw-Hill Education (10th). Ch. 5</p> <p>Wahlen, J. et al. (2019). <i>Financial Reporting, Financial Statement Analysis and Valuation (9th ed.)</i>. Cengage Learning. Ch. 12</p>
	<p>Class 14</p> <p>Long-Term Decisions - Capital Budgeting:</p> <ul style="list-style-type: none"> • Making Capital Investment Decisions: Project Analysis and Evaluation • Capital Budgeting Decisions – between the business economic sustainability and risks 	<p>Case Study/Direct Question and Response</p> <p>Capital Budgeting-Long Term Investment decision Coca Cola.</p> <p>15 minutes</p> <p>Please refer to section 4.3.14 for more details.</p>	<p>Formative Assessment 5 (20%): Case Study 3</p> <p>Capital Investing Decisions of a Firm (20%)</p> <p>Please refer to section 4.1.5 for more details.</p> <p>To be uploaded on the VLE.</p>	<p>Williams, J. R., Haka, S. F., Bettner, M. S., Carcello, J. (2017). <i>Financial & Managerial Accounting: The Basis for Business Decisions (18th ed.)</i>. Boston: McGraw-Hill/Irwin. Ch. 26</p>
Week 8	<p>Class 15</p> <p>Long-Term Financial Policies: Dividend Policy:</p> <ul style="list-style-type: none"> • The Concept and the Relevance of Dividends • Types of Dividends • Optimum Pay Out Policy for a Business • Stock Splits, and the strategy in Stock Buyback • Factors Affecting Dividend Decisions 	<p>Individual Task</p> <p>Dividend Payments</p> <p>15 minutes</p> <p>Please refer to section 4.3.15 for more details.</p>		<p>Brealey, R., Myers, S., Allen, F. (2019). <i>Principles of Corporate Finance (13th ed.)</i>. McGraw-Hill Education (10th). Ch.16</p> <p>Asquith, P., & Weiss, L. A. (2019). <i>Lessons in Corporate Finance: A Case Studies Approach to Financial Tools, Financial Policies, and Valuation</i>. John Wiley & Sons. Ch. 11</p>
	<p>Class 16</p> <p>Short-Term Financial Planning and Management:</p> <ul style="list-style-type: none"> • Short-Term Finance and Planning • Cash and Liquidity Management 	<p>Case Study</p> <p>Inditex – Zara Inventory Management</p> <p>20 minutes</p>	<p>Formative Assessment 6 (15%): Case Study 4</p> <p>Covid-19</p>	<p>Brealey, R., Myers, S., Allen, F. (2019). <i>Principles of Corporate Finance (13th ed.)</i>. McGraw-Hill</p>

	<ul style="list-style-type: none"> Credit and Inventory Management 	Please refer to section 4.3.16 for more details.	and short-term Financial Management Please refer to section 4.1.6 for more details. To be uploaded on the VLE.	Education (10 th). Ch. 30 Pakdel, M., & Ashrafi, M. (2019). Relationship Between Working Capital Management and the Performance of Firm in Different Business Cycles. <i>Dutch Journal of Finance and Management</i> , 3(1).
Week 9	<p>Class 17</p> <p>Managerial Accounting Cost Method Approach and Techniques:</p> <ul style="list-style-type: none"> Fundamentals of Cost Management Plantwide and Department Allocation Activity Cost Method ABC Target and Life Cycle Cost Techniques Overhead Allocations - Limiting Factor Analysis 	<p>Practical Session</p> <p>Target and Life Cycle Cost Techniques Pin Light</p> <p>15 minutes</p> <p>Please refer to section 4.3.17 for more details.</p>		<p>Williams, J. R., Haka, S. F., Bettner, M. S., Carcello, J. (2017). <i>Financial & Managerial Accounting: The Basis for Business Decisions (18th ed.)</i>. Boston: McGraw-Hill/Irwin. Ch. 16 and Ch. 17</p> <p>Weygandt, J. J., Kimmel, P. D., Kieso, D. E., & Aly, I. M. (2018). <i>Managerial Accounting: Tools for Business Decision-making</i>. John Wiley & Sons. Ch. 4</p>
	<p>Class 18</p> <p>The Planning and Budgeting:</p> <ul style="list-style-type: none"> Overall Plan Master Budget Quantitative Techniques Fundamentals of Variance Analysis: Total Cost, Price, and Efficiency Variance Analysis for Decision-Making 	<p>Practical Session</p> <p>Compute Material and Price Variance Montes Woods</p> <p>20 minutes</p> <p>Please refer to section 4.3.18 for more details.</p>		<p>Williams, J. R., Haka, S. F., Bettner, M. S., Carcello, J. (2017). <i>Financial & Managerial Accounting: The Basis for Business Decisions (18th ed.)</i>. Boston: McGraw-Hill/Irwin. Ch. 23</p>
Week 10	<p>Class 19</p> <p>The Planning and Budgeting:</p> <ul style="list-style-type: none"> Country and Political Risk The Foreign Exchange Market: FX Risk Purchasing Power Parity PPP Interest Rate Risk International Capital Budgeting: Overseas Project Appraisal 	<p>Individual Task/Case Study</p> <p>Country Risk</p> <p>20 minutes</p> <p>Please refer to section 4.3.19 for more details.</p>		<p>Williams, J. R., Haka, S. F., Bettner, M. S., Carcello, J. (2017). <i>Financial & Managerial Accounting: The Basis for Business Decisions (18th ed.)</i>. Boston: McGraw-Hill/Irwin. Ch.15</p>

				Brealey, R., Myers, S., Allen, F. (2019). <i>Principles of Corporate Finance</i> (13th ed.). McGraw-Hill Education (10 th) Ch. 27
	<p>Class 20</p> <p>Course Wrap-Up:</p> <ul style="list-style-type: none"> Review of Outstanding Material and Issues Preparation for the Summative Reports 	<p>Direct Question and Response / Discussion</p> <p>20 minutes</p> <p>Please refer to section 4.3.20 for more details.</p>		
Week 11	Submission of Summative Assessment Tasks 1 and 2			

4. Module Assessment

The assessment of this Module consists of Formative and Summative assessment activities listed in the table 1 and described in the table 2 below:

Table 1:

Face-to-Face 100%	
Formative	Summative
22 hours	18 hours
Quizzes: 10%	Set Exercise/Case Study 1 (2000 words) – 50%
Set Exercise/Case Studies: 70%	Set Exercise/Case Study 2000 words) – 50%
Practical Skills Assessment: 10%	

*Prefinal grade is based on the Formative Assessment activities, and it is not a part of a module final grade. **Students should have over 50 points of the prefinal grade to submit summative assessment activities representing module final grade.***

Table 2:

Formative	Summative
<p>Oral Assessment: On a weekly basis, students will have to participate in a discussion forum, with questions covering the topics of the week. This will help students to understand different perspectives due to the diversity of participation and develop proficiency in understanding and applying concepts and developing critical thinking.</p>	
<p>Quizzes: Used as part of formative assessment to allow the</p>	

<p>instructor and students to see if they are excelling or need more focus in their studies. The questions asked in quizzes are aimed to measure and track students' progress in understanding concepts, development of critical thinking (discussion questions) and make a follow-up with readings.</p>	
<p>Practical Skills Assessment: These are fundamental problems in finance, stressing general concepts and tools. Practice of Microsoft Excel for accounting purposes.</p>	
<p>Set Exercise/Case Study: Set exercises and case studies consist of both problem solving and analysis and decision-making. Students will have an opportunity to demonstrate what they have learnt and what they can do.</p>	

The passing grade for the module is 60%

4.1. Formative Assessments

4.1.1 Week 2 Class 4 Case Study 1

Students will explore how what they have learned applies to real global companies by selecting a publicly traded business in the Hospitality Industry and assessing the financial situation of the business chosen by performing a comparative financial statement analysis by comparing the last two financial periods balance sheet and income statement available in the last Annual Report. Prepare a 200-word report. Submission in VLE.

4.1.2 Week 4 Class 7 Practical skills assessment 1

Students will explore how what they have learned applies to real global companies by selecting a publicly traded business in the Automobile Manufacturing Industry and provide an analysis of the business financial situation by performing a comparative financial statement analysis for the last two financial years, by comparing financial ratios (one of each category) with a major competitor. Conclude which business is in a better financial position based on a comparative ratio analysis. Compute and prepare a 200-word report. Submission in VLE.

4.1.3 Week 5 Class 10 Quiz 2: 10 points – 2 points each question

1. Critically explain the concept of portfolio diversification for business.
2. Compare and contrast the benefits of using debt financing from equity financing from the perspective of the business.
3. Critically analyze the optimal capital structure for business within the IT industry.
4. Critically explain the differences between systematic and unsystematic risk and produce a real-life example of each.
5. Critically analyze the meaning of a business with a Beta (β) of 1.75.

4.1.4 Week 6 Class 12 Case Study 2

Introduction:

"Since 2011, Netflix has raised roughly \$15 billion in debt (mostly by issuing junk bonds) to help fund its content production around the world. That led a group of analysts, reporters, and investors to question whether its business model was sustainable long term—especially as streaming competition increased." (qz.com). Netflix is selling \$1 billion of five-year non-callable junk bonds, with half denominated in dollars and half in euros. In its bond-offering announcement, Netflix says it may use the net funds it gains for "content acquisitions, production and development, capital expenditures, investments, working capital and potential acquisitions and strategic transactions."

Research on the Internet and other available sources and prepare to critically define the concept of Junk Bonds, and critically describe the features, and critically analyze why business-like Netflix find investors to fund their projects with bonds with low quality features.
Prepare a short 200-word report. To be uploaded on the VLE.

4.1.5 Week 7 Class 14 Case Study 3

Students will explore how what they have learned applies to real global company by studying SAUDI ARAMCO

Saudi Aramco is the world's largest integrated oil and gas company; its upstream operations manage the Kingdom's unique hydrocarbon reserve base, optimizing production and maximizing long-term value. It also operates a strategically integrated global downstream business. Headquartered in the city of Dhahran, the company operates within the Kingdom and worldwide, and employs more than 68,000 people (Annual Report)

Research and identify the most recent capital investment decisions for the business and the effect of those decisions on the business long term economic sustainability.

Prepare a 300-word report and submit it individually in VLE.

4.1.6 Week 9 Class 17 Case Study 4

Research on the internet and critically analyze the short-term financial management strategies that business had to undertake for handling operations disruptions like Covid-19.
Prepare a 200-word report. Submission in VLE.

4.2 Summative Assessment

4.2.1 Summative Assessment 1 – Case Study – 50%

Task

You are requested to choose **one publicly traded global business** of the industry of your own interest and submit a comprehensive **case study**. *Each student must have the instructor's approval of the business before starting the assessment.* Your case study should consist of about 2,000 words, excluding figures and tables, appendices, and references, covering the following:

1. Executive summary of the case report and introduction to the company (5 points)
2. Critically assess the **business financial condition** by using comparative financial statement analysis (5 points), financial ratio analysis (10), and industry analysis by using the last two years (5 points).
3. Analyse the selected business current **capital structure** (5 points), and critically describe the real challenges they have or had (if any) for raising capital through debt or equity (10 points). Compare and contrast the findings with a major industry competitor. (10 points).
4. Critically identify the business's three capital budgeting decisions (5 points), explain how the business raised the capital to fund the projects and the challenges – if any (10 points) and identify the valuation technique used (5 points).
5. Critically explain two of the business capital investment decisions (5 points), and critically analyze how they are related to their long-term business strategy (5 points), and the contribution to their economic sustainability by creating value. (5 points)
6. Case study findings and conclusions (10 points)
7. References and Bibliography (5 points)

Objectives:

The summative assessment is intended to evaluate analytic and technical skills according to the module learning outcomes. The key to success in this assessment is to use critical reflective skills to research, analyze and evaluate the topics covered in the course.

Guidelines:

This is an individual summative assessment. Follow the guidelines and criteria of the assignment, make sure your writing is precise and to the point, and that all sources are adequately referenced.

Report structure:

- The report should display a coherent structure
- The report should be prepared as a neatly typed Word document (Times New Roman 12 points), with double spacing and page numbering.
- Tables or work/data taken from other sources may be included in an appendix.
- All sources must be referenced in the text and a full bibliography must be provided (including visited websites). Paraphrasing or direct quotes taken from other sources must be clearly indicated with citations. No footnotes! APA referencing style to be used.
- Students are reminded that depth, relevance, and variety are the crucial elements of quality research.
- Websites should only be used if they represent an established source and only for facts and figures. Students should make the most of academic and practitioner books and articles.
- Submission should be by the deadline via VLE

Outline of the report:

- *Cover page*
It includes the school and course name, the case study title, the student’s full names, the lecturer’s full name and the submission date.
- *Table of contents*
It includes all the headings with appropriate page numbers, including References and Appendices and, where applicable, the list of tables and figures.
- *Executive summary*
Including a brief description of the corporation (not included in word count), what the case is all about, and the summary of the major points and contributions of the report.
- *Introduction*
It introduces the reader to the case you are going to discuss.
- *Findings and analysis*
See under Evaluation Rubric
- *Conclusions and recommendation*
They recap the main characteristics of the chosen company, draw key insights from the case study and suggest, where applicable and meaningful, future developments for the company’s business, organizational solutions, and decision-making processes.

Assessment Rubric – Case Study

Criteria	Identification of Main Issues	Analysis	Solutions	Research	APA Structure and Format
	<ul style="list-style-type: none"> • Clear explanation of key strategic issues. • The problems, scope and seriousness were clearly identified in the discussions. • There was a well-focused diagnosis of strategic issues and key problems that demonstrated a good grasp of the company’s present situation and strategic issues. 	<ul style="list-style-type: none"> • Logically organized, key points, key arguments, and important criteria for evaluating business strategies were easily identified. • Critical issues and key problems that supported the Case Analysis were identified and 	<ul style="list-style-type: none"> • Specific recommendations and/or plans of action provided. • Specific data or facts were referred to when necessary to support the analysis and conclusions. • Recommendations and/or conclusions were presented and 		<ul style="list-style-type: none"> • Proper organization, professional writing, and logical flow of analysis. APA formatting. • Logically organized, key points, key arguments, and important criteria for evaluating the business logic easily identified. • Key points were supported with a well-thought-out rationale based on applying

	<ul style="list-style-type: none"> • Effective Executive Summary • Did not waste space summarizing information already found in the case. 	clearly analyzed and supported.	supported in an effective manner.		<p>specific concepts or analytical frameworks to the data provided in the case.</p> <ul style="list-style-type: none"> • Proper grammar, spelling, punctuation, third person objective view, professional writing, and syntax.
0 to 20 pts	• Identifies and understands a few of the issues in case study.	• Incomplete or no analysis of the issues.	• Little or no action suggested, and/or inappropriate solutions to all the issues in the case study.	• Incomplete research and links to any readings.	• Many errors and a lack of organization.
21 to 45 pts	• Identifies and understands some of the issues in the case study.	• Superficial analysis of some of the issues in the case.	• Superficial and/or inappropriate solutions to some of the issues in the case study.	• Limited research and documented links to any readings.	• There are more than occasional errors. Variety of formatting styles, with some inconsistencies throughout the paper.
46 to 79 pts	• Identifies and understands most of the main issues in the case study.	• Thorough analysis of most of the issues.	• Appropriate, well-thought-out comments about solutions or proposals for solutions to most of the issues in the case study.	• Good research and documented links to the material read.	• There are occasional errors. Good skill level in formatting and organizing material in assignment. Above average level of preparedness, with few formatting errors.
80 to 100 pts	• Identifies and understands all the main issues in the case study.	• Insightful and thorough analysis of all the issues.	• Well documented, reasoned and pedagogically appropriate comments on solutions or proposals for solutions, to all issues in the case study.	• Excellent research into the issues with clearly documented links to the course text and/or outside readings.	• Writing is totally free of errors. Meets all APA standards. Formatting is excellent.

4.2.2 Summative Assessment 2 - Case Study 50%

Task:

Individually prepare and submit a comprehensive 2000 report excluding figures and tables, appendices and references of a Large-Cap publicly traded Global Corporation of your interest covering the following:

1. Executive summary of the report and introduction to the company (5 points)
2. Using the business annual report, critically assess the business financial performance the last two financial results (5 points), and analyzing effect of major global events in the business performance using the cash management policies (working capital), the short-term financial strategy implemented for business sustainability (5 points) and the inventory management policy (5 points)

3. Analyse the selected corporation's current capital structure, and discuss the repercussion of relevant news, corporate actions, and other general information available on the internet in the company's stock price in the last 2 years. (10 points)
4. Select and discuss the business's most relevant capital budgeting decisions (5 points). Critically explain the impact of their capital investment decisions and the long-term strategy for sustainability. (10 points)
5. Analyse and discuss the business dividend policy (5 points); include an analysis of their common stockholder dividend payment (EPS, Dividend Yield) for the last 3 years (10 points), and the impact of the Covid-19 outbreak and the Russia war on Ukraine in their last dividend payment. (10 points)
6. Critical thinking – hypothetical situation: You are the CFO of the corporation, and the business is considering entering or expanding its presence in Brazil. Explain the type's risks inherent to the country and as a CFO provide specific recommendations as to how to mitigate those risks from operating in that market. (10 points). The business is considering building a facility that will serve as a headquarters for the Latam region. Critically analyze the factors the business considers in international capital budgeting when the project is overseas. (5 points)
7. Report findings and conclusions – is the business in good financial standing: The corporate finance manager strategies and actions are adding value to the investor.
8. Based on the findings, and the information publicly available on the internet, will you recommend investing in the business buying stock? Explain your rationale (10 points)
9. References and Bibliography (5 points)

Objectives:

The summative assessment is intended to evaluate analytic and technical skills according to the module learning outcomes. The key to success in this assessment is to use critical reflective skills to research, analyze and evaluate the topics covered in the course.

Guidelines:

Follow the guidelines and criteria of the assignment, make sure your writing is precise and to the point, and that all sources are adequately referenced

Report structure:

- The report should display a coherent structure
- The report should be prepared as a neatly typed Word document (Times New Roman 12 points), with double spacing and page numbering.
- Tables or work/data taken from other sources may be included in an appendix.
- All sources must be referenced in the text and a full bibliography must be provided (including visited websites). Paraphrasing or direct quotes taken from other sources must be clearly indicated with citations. No footnotes!
- Students are reminded that depth, relevance, and variety are the crucial elements of quality research.
- Websites should only be used if they represent an established source and only for facts and figures. Students should make the most of academic and practitioner books and articles.
- Submission should be by the deadline via VLE.

Outline of the report:

- *Cover page*
It includes the school and course names, the case study title, the student's full names, the lecturer's full name and the submission date.
- *Table of contents*
It includes all the headings with appropriate page numbers, including References and Appendices and, where applicable, the list of tables and figures.
- *Executive summary*
Including a brief description of the corporation (not included in word count), what the case is all about, and the summary of the major points and contributions of the report.
- *Introduction*
It introduces the reader to the case you are going to discuss.
- *Findings and analysis*

See under the Description of the Assignment

- *Conclusions and recommendation*

They recap the main characteristics of the chosen company, draw key insights from the report and suggest, where applicable and meaningful, future developments for the company's business, organizational solutions, and decision-making processes.

Assessment Rubric – Case Study

Criteria	Identification of Main Issues	Analysis	Solutions	Research	APA structure and format
0 to 20 pts	<ul style="list-style-type: none"> • Clear explanation of key strategic issues. • The problems, scope, and seriousness were clearly identified in the discussions. • There was a well-focused diagnosis of strategic issues and key problems that demonstrated a good grasp of the company's present situation and strategic issues. • Effective Executive Summary. • Did not waste space summarizing information already found in the case. 	<ul style="list-style-type: none"> • Logically organized, key points, key arguments, and important criteria for evaluating business strategies were easily identified. • Critical issues and key problems that supported the Case Analysis were identified and clearly analyzed and supported. 	<ul style="list-style-type: none"> • Specific recommendations and/or plans of action provided. • Specific data or facts were referred to when necessary to support the analysis and conclusions. • Recommendations and conclusions were presented and supported in an effective manner. 	<ul style="list-style-type: none"> • Incomplete research and links to any readings 	<ul style="list-style-type: none"> • Proper organization, professional writing, and logical flow of analysis. APA formatting. • Logically organized, key points, key arguments, and important criteria for evaluating the business logic easily identified. • Key points were supported with a well thought out rationale based on applying specific concepts or analytical frameworks to the data provided in the case. • Proper grammar, spelling, punctuation, third person objective view, professional writing, and syntax.
21 to 45 pts	<ul style="list-style-type: none"> • Identifies and understands some of the issues in the case study. 	<ul style="list-style-type: none"> • Superficial analysis of some of the issues in the case. 	<ul style="list-style-type: none"> • Superficial and/or inappropriate solutions to some of the issues in the case study. 	<ul style="list-style-type: none"> • Limited research and documented links to any readings. 	<ul style="list-style-type: none"> • There are more than occasional errors. Variety of formatting styles, with

					some inconsistencies throughout the paper.
46 to 79 pts	<ul style="list-style-type: none"> Identifies and understands most of the main issues in the case study. 	<ul style="list-style-type: none"> Thorough analysis of most of the issues. 	<ul style="list-style-type: none"> Appropriate, well-thought-out comments about solutions or proposals for solutions to most of the issues in the case study. 	<ul style="list-style-type: none"> Good research and documented links to the reading material. 	<ul style="list-style-type: none"> Occasional errors. Good skill level in formatting and organizing material in assignment. Above-average level of preparedness, with few formatting errors.
80 to 100 pts	<ul style="list-style-type: none"> Identifies and understands all the main issues in the case study. 	<ul style="list-style-type: none"> Insightful and thorough analysis of all the issues. 	<ul style="list-style-type: none"> Well documented, reasoned and pedagogically appropriate comments on solutions or proposals for solutions, to all issues in the case study. 	<ul style="list-style-type: none"> Excellent research into the issues with clearly documented links to the course text and/or outside readings. 	<ul style="list-style-type: none"> Writing is totally free of errors. Meets all APA standards. Formatting is excellent.

4.3. Class Activities

4.3.1 Class 1:

Team up in a group of 2 and choose a publicly traded business in the industry of your preference and research for their most recent Annual Report. Prepare to critically address some of the major sections of the report, share some of the relevant information and decisions the business took and compare findings with the class.

For example, Apple, Inc. AAPL NASDAQ 2021 Annual Report
<https://www.annualreports.com/Company/apple-inc>.

Information: Total net sales increased 33% or \$91.3 billion during 2021 compared to 2020, driven by growth in all products and Services categories. In April 2021, the Company announced an increase to its current share repurchase program Annual Report authorization from \$225 billion to \$315 billion and raised its quarterly dividend from \$0.205 to \$0.22 per share beginning in May 2021 (p. 23). The Company depends on component and product manufacturing and logistical services provided by outsourcing partners, many of which are located outside of the U.S and future operating results depend upon the Company's ability to obtain components in sufficient quantities on commercially reasonable terms (p. 12)
Total time – suggested: 20 min (researching 10 min + discussion and debate 10 min).

4.3. 2. Class 2:

Team up in a group of max 3 and choose a publicly traded business in the industry of your preference and research on the internet for their most recent Annual Report. Prepare to provide the financial situation of the business using the most recent audited balance sheet. Total time – suggested: 15 min (researching + prepare 10 min + prepare to discuss 5 min).

4.3.3. Class 3:

Team up in a group of max 3 and choose a publicly traded business in the industry of your preference and research on the internet for their most recent Annual Report. Prepare to provide the results from operations by comparing EBIT and Net Income with the previous year, include three major account changes YoY (if any). Total time – suggested: 15 min (researching + prepare 10 min + prepare to discuss 5 min).

4.3.4. Class 4:

Look up on the internet for the most recent audited Statement of Cash Flows of global business within the healthcare industry. Prepare to share with the class the overall cash movement out of the business from the operation activities, and the closing cash and cash equivalent balance for the accounting period. Total time – suggested: 15min (researching + prepare 10 min + prepare to discuss 5 min).

4.3.5. Class 5:

Find a teammate and practice by computing the financial ratios (2 of each) learned in class of business Kindred Group www.kindredgroup.com or any other Malta based business of your preference. Share your findings with the class. Total time – suggested: 15 min (calculations 10 min + share results 5 min)

4.3.6. Class 6:

Team up with the same fellow student from activity 4.3.5, and research on the internet one major competitor of Kindred Group (or the chosen one if different). Find the chosen competitor in the latest Annual Report and compute the one liquidity, one profitability and one market ratio. Compare and contrast the results and provide two industry specific ratios Share your findings with the class. Total time – suggested: 20 min (research and calculations 15 min + share results 5 min)

4.3.7. Class 7:

Look up on the internet the Agency Problem in the Enron scandal and explain the concept the case within the concept of Agency problem and provide two strategies that can mitigate the conflict Total time – suggested: 15 min (researching and preparing 10 min + discussion 5 min)

4.3.8: Class 8:

Look up on the internet for information about AMAZON.COM, INC and prepare to answer to how the business financial and long-term strategy contribute to the business success, understand where and how they fund their business, and how sustainable business growth has been.

Total time – suggested: 20 min (researching 10 min + discussion 10 min)

4.3.9: Class 9

This is an individual activity. Look up beta for a business of your interest. Critically explain the business beta and prepare to answer to the classroom the following questions:

1. Name of the business
2. The business most recent beta value - share the source of the information,
3. If the beta is high, low, or negative by explaining your findings
4. Compare your business with a major competitor's beta and analyze who is in a better position from the beta -risk analysis.

Total time – suggested: 15 min (researching 9 min + share findings 6 min)

4.3.10: Class 10

Research on the internet and analyze recent news and articles about the topic: current interest rates levels. Prepare to address how it is affecting the value of the debt, and the common share a global business of your preference.

Total time – suggested: 20 min (researching and preparing 10 min + discussion 10 min)

4.3.11: Class 11

Team up in a group of max 3 and look up on the internet the WACC of Starbucks Corporation (NASDAQ: SBUX). Prepare to explain:

1. If the business is using more equity or debt financing
2. Describe two factors that could affect Starbucks's target capital structure. - what issues could benefit of using more debt than equity financing for example

Total time – suggested: 15 min (researching and preparing 10 min +share findings 5 min)

4.3.12: Class 12

Individual computation, resolve the following case and provide an explanation:

1. Compute the future value of a \$10,000 investment if kept for 1Y, compounded at 10% interest. Compute the same case but with a 5% interest rate
2. Determine the funds needed today, if an investor wants to hit a target of \$11,000 in savings a year down the road. Consider all the variables from part 1

Total time – suggested: 15 min (computing 10 min + hare results 5 min)

4.3.13: Class 13

Team up with a fellow student, resolve the following case and provide the suitable explanation:

Limited Corporation is looking to replace a machine that is expected to increase productivity and, thereby, revenue. The cost of the machine is \$100,000. Revenue is expected to increase by \$20,000 in the first year, \$50,000 in the second year, and \$80,000 in the third year. After the third year, the company plans to substitute the machine with a higher performance one. The alternative to this investment is to buy \$100,000 in risky corporate bonds that currently yield 10% annually. Explain the feasibility of this project by computing the NPV.

Total time – suggested: 15 min (computing 10 min + explain rationale 5 min)

4.3.14: Class 14

Respond in teams of two: Coca Cola's budgeting process and procedures, and capital budgeting decision-making process by researching on the internet

Total time – suggested: 15 min (researching 10 min + respond 5 min)

4.3.15: Class 15

Research on the internet the dividend policy of a public business of your Preference and prepare to share to the class:

1. The name of the business, and the industry in which the business operates
2. The date, type, and the amount of the two last dividends paid.
3. Compare the dividends paid by the most noticeable competitor in the same period and provide a conclusion

Total time – suggested: 15 min (researching 10 min + sharing results 5 min)

4.3.16: Class 16

This is a group of two case studies. Research on the internet Zara's inventory management, and the strategy behind their success.

Total time – suggested: 20 min (researching 10 min + present the findings 10min)

4.3.17: Class 17

Pin Light LLC is considering launching a new product for market expansion aligned with the long-term business strategy since the planning and marketing department made the required analysis. According to the data, the new product should be sold 10,000 units at \$21.00 per unit and a 40% markup of the product cost. It is expected that the life-cycle costs of the new product would be as under:

- Design and development costs \$50,000
- Manufacturing costs \$10/unit
- End of life costs \$20,000

Pin Light estimates that if the company were to spend an additional \$15,000 on design, manufacturing costs/unit could be reduced. Compute:

1. The target cost of the new product?
2. The original life cycle cost per unit and is the product worth making on that basis?
3. If the additional amount were spent on design, what is the maximum manufacturing cost per unit that could be tolerated if the company is to earn its required mark-up?

Total time – suggested: 15 min (computing 10 min + present the findings 5 min)

4.3.18: Class 18

Montes Woods Inc. manufactures premium wood products targeting mid-sized businesses. One of its products is a top-of-the-line chair. Last month Montes manufactured 4,000 chairs for which the company purchased and used 11,000 feet of wood. The total cost of 11,000 feet of wood was \$37,400. According to direct material price and quantity standards, one chair air requires 2.5 feet of wood at a cost of \$3.60. Compute:

1. The standard cost of wood needed to manufacture 4,000 chairs.
2. Direct material price and quantity variance for the last month.

Total time – suggested: 20 min (computing 15 min + present the findings 5 min)

4.3.19: Class 19

Country Case Study: Select a country of your preference (preferably your own country).

Research and analyze:

1. The country's FX risk – is there a limitation or exchange rate control
2. Other risks inherent to the country – macroeconomic weaknesses
3. Provide a conclusion of your findings

Total time – suggested: 20 min (researching 10 min + present the findings 10 min)

4.3.20: Class 20

Individual answer: Based on the course readings, material, and other relevant sources, critically analyze the challenges and obstacles facing finance teams today.

Total time – suggested: 20 min (researching and organizing ideas 15 min + respond the findings 5 min)

5. Module Requirements

A. Core Readings List

1. Asquith, P., & Weiss, L. A. (2019). *Lessons in Corporate Finance: A Case Studies Approach to Financial Tools, Financial Policies, and Valuation*. John Wiley & Sons.
2. Brealey, R., Myers, S., Allen, F. (2019). *Principles of Corporate Finance* (13th ed.). McGraw-Hill Education. PDF (10th ed).
3. Dutta, S., & Nezhlobin, A. (2017). *Information Disclosure, Firm Growth, and the Cost of Capital*. *Journal of Financial Economics*, 123(2), 415-431.
4. Pakdel, M., & Ashrafi, M. (2019). *Relationship Between Working Capital Management and the Performance of Firm in Different Business Cycles*. *Dutch Journal of Finance and Management*, 3(1).

5. Subramanyam, K. (2013). *Financial Statement Analysis* (11th ed.) McGraw-Hill Education. PDF.
6. Weygandt, J. J., Kimmel, P. D., Kieso, D. E., & Aly, I. M. (2018). *Managerial Accounting: Tools for Business Decision-making*. John Wiley & Sons.
7. Williams, J. R., Haka, S. F., Bettner, M. S., Carcello, J. (2017). *Financial & Managerial Accounting: The Basis for Business Decisions* (18th ed.). Boston: McGraw-Hill/Irwin. PDF.

B. Supplementary Reading List

1. Corazza, G., & Zanin, F. (2020). *Impact of Artificial Intelligence on Managerial Accounting Systems*. In **Handbook of Research on IT Applications for Strategic Competitive Advantage and Decision Making** (pp. 17-35). IGI Global.
2. Datar, S., & Rajan, M. (2017). *Horngren's Cost Accounting: A Managerial Emphasis* (16th ed.). Pearson.
3. Holzer, H. P., & Schoenfeld, H. M. (Eds.). (2019). **Managerial Accounting and Analysis in Multinational Enterprises**. Walter de Gruyter GmbH & Co KG.
4. O'Connell, V., & O'Sullivan, D. (2016). *Are Nonfinancial Metrics Good Leading Indicators of Future Financial Performance?* **MIT Sloan Management Review*, June.
5. Wahlen, J., Baginski, S., Bradshaw, M., & Stickney, C. (2019). *Financial Reporting, Financial Statement Analysis and Valuation* (9th ed.). Cengage Learning.

C. General Rules for Submitting Written Assignments

Prior to the assessment and grading, all homework assignments submitted via Virtual Learning Environment (VLE) are checked for plagiarism with the software embedded to the system. Before turning in the first assignment, each student must familiarize themselves with the Plagiarism Handbook in the VLE.

Written assignments should be typewritten and will only be marked and graded if they are submitted via VLE by the requested time. **Late submissions will not be accepted under any circumstances!** *Being virtually absent shall not be an accepted excuse for not submitting the required homework for the following session.*

Technical issues: The VLE system works functionally well and technical issues almost non-existent. Failure to submit the assignment on a timely basis is typically a result of a misuse of the VLE instructions or simply a missed deadline.

In case a student experiences issues with the submission of a particular assignment, an email should be sent before the submission deadline to the lecturer (with a copy to the Academic Coordinator) along with the screenshot of the technical issue. Each case will be thoroughly investigated, and the ultimate decision will be made by the Academics Department whether the homework should be accepted for evaluation and grading.

D. Attendance

80% attendance is compulsory. Students who miss more than 20% of classes without a justified reason (e.g., medical certificate) will automatically fail the module.

All appointments, including regular medical appointments, should be scheduled outside of class time, as any absence will affect the participation component of the module evaluation. If you are ill and you cannot attend a class, you will need to fill in the Absence Excuse form and provide a valid certificate from a credible medical institution. Under no circumstances is the lecturer involved in considering absence excuses. This responsibility lies with the Academic Coordinator and the Academic Committee. Please refer to the **Academic Policies and Student Guidelines** for further information.

Students who are late (not more than the first 10 minutes) will be allowed to enter the classroom upon the consideration of a lecturer meaning that if a lecturer started the class and believes that those arriving late may disturb the class, he/she has a right not to allow any late students to enter the classroom. Students over 10 minutes late should NOT be allowed into the classroom until the next break. In case the student is not allowed to enter the classroom in the first part of the class or is late more than 10 min,

then the attendance will be rated at **50%** or a half class. This margin of time is not applicable after the mid-class break, i.e., students coming late or not returning after the break will not be allowed into the class and/or will get documented only 50% of presence. Continuous late arrivals by a student gives the lecturer the right to dismiss that student from their class, with a failing grade.

Note: *As entering in the middle of a class session disrupts the entire class and is regarded as disrespectful, students should strictly adhere to the rules. Arriving late or leaving early will be noted and the total time of absences will be calculated by applying the same corresponding rules for continuous tardiness.*