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| 1. Course code:
 | FIN 429 | 1. Course title:
 | WORKING CAPITAL MANAGEMENT |
| 1. College: College of Business Administration
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| 1. Department: Economics and Finance
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| 1. Program: B.Sc. in Banking and Finance
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| 1. Course credits: 3-credit hour
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| 1. Course NQF Level: 6-7-8
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| 1. NQF Credits: 12
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| 1. Prerequisite: FIN 320
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| 1. Lectures Timing & Location: Online
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| 1. Course web page: Blackboard
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| 1. Course Instructor:
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| 1. Office Hours and Location: TBA
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| 1. Course coordinator: Dr. Sumathi Kumaraswamy
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| 1. Academic year: 2020-2021
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| 1. Semester:
 |  | **First** | X | **Second** |  | **Summer** |
| 1. Textbook(s): *Short term Financial Mangement: John Zietlow, Matthew Hill, Terry Maness*, Cognella , 4thEdition, 2014.
 |
| 1. References from the Library (<http://www.ac-knowledge.net/uobv3/>):

Corporate Finance Foundations: Hirt-Block-Danielsen, McGraw-Hill, 15th Global Edition,2014 |
| 1. Other learning resources used (e.g. e-Learning, field visits, periodicals, software, etc.):

Suggested Journal Article Readings Dr.Sumathi Kumaraswamy, “ Impact of Working Capital Management on the financial performance of GCC Firms”, <http://www.econjournals.com/index.php/ijefi/article/view/2319/pdf>Kumaraswamy, S., and George, S. (2019) Trade Credit Management and Firm Profitability in Saudi Manufacturing Firms, Polish Journal of Management Studies, 20(1), pp. 243-253. <https://pjms.zim.pcz.pl/resources/html/article/details?id=196833> |
| 1. Course description (as per the published):

This course places emphasis on an evaluation of the costs and benefits resulting from the investment of funds in receivables, inventories, and cash balances. Includes many case studies. Policies and procedures with respect to decision making; implementation and control are designed from the viewpoint of the financial manager |
| 1. Course Intended Learning Outcomes (CILOs):
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| CILOs | *Mapping to PILOs* |
| Learning goals | a. Knowledge | b. Globalization | c. Skills | d. Communication | e. Competencies | f. Values |
| Learning objectives | a1: General Knowledge | a2: Specific knowledge | b1: International cross-cultural | b2: Global Perspective | c1: Thinking skills | c2: Analytical skills | d1: Communication (Writing) | d2: Communication (Oral) | e1: Leadership skills | e2: Teamwork | f1: Ethics | f2: Social responsibility |
| 1. Understand the role of working capital within the scope of firm's daily operations. Apply techniques used to assess solvency and firm liquidity. | ✓ | ✓ |  |  | ✓ | ✓ | ✓ | ✓ |  |  |  |  |
| 2. Assess corporate liquidity using cash based financial ratios and examine different cash management models that provides optimal cash flows |  | ✓ |  |  | ✓ | ✓ |  |  |  |  |  |  |
| 3. Discuss the impact of inventory management on the cash cycle |  | ✓ |  |  | ✓ | ✓ |  |  |  |  |  |  |
| 4. Determine the essentials of credit management, apply NPV analysis to overall credit policy |  | ✓ |  |  | ✓ | ✓ |  |  |  |  |  |  |
| 5. Develop short-term investment and financing strategy |  |  |  |  | ✓ | ✓ | ✓ |  |  |  |  |  |

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| 1. Course assessment:
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| *Assessment Type* | *Details/ Explanation of Assessment in relation to CILOs* | *Number* | *Weight* | *Date(s)* |
| Continuous Assessment (2-hour) | 1,2,3,4 |  | 15 % |  |
| Engagement Activities (1-hour) | 1,2,3,4 |  | 15 % |  |
| Practical |  |  |  % |  |
| Examinations |  |  | % |  |
| Projects/Case Studies | 1,2 |  | 30% |  |
| Final Examination(Respondus) | 4,5 |  | 40% | 7/6/2021 |
| Total |  |  | 100% |  |
| 1. Description of Topics Covered
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| *Topic Title* *(e.g. chapter/experiment title)* | *Description* |
| Chapter 1: Role of Working Capital  |  Identify the cash flows associated with short term financing decisions and understand how working capital flows creates a disparity between profit and operating cash flows |
| Chapter 2: Analysis of the working capital cycle | Differentiate between solvency ratios and the cash conversion period. Calculate and interpret cash conversion period |
| Chapter 3: Cash holdings | Assess the corporate liquidity using cash based financial ratios. Explain and use management models |
| Chapter 4 Accounts Receivable Management | Identify and define the components of credit policy. Apply net present value analysis to credit extension decisions.  |
| Chapter 5: Credit policy and collections | Identify and utilize techniques used to assess collection patterns. Calculate the net present value of proposed and existing credit policies. Describe present corporate credit policy practices |
| Chapter 6: Short term financial planning | Describing the various short term financing decisions. Compute the effective cost of short term borrowing |

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| 1. Weekly Schedule
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| *Week* | *Date* | *Topics covered* | *CILOs* | *Teaching Method* | *Assessment* |
| *1* | 07/02/2021 | Chapter 1 : Role of Working Capital |  | *2-hour lecture:* | *Continuous Assessment,**Project* |
| *1-hour lecture* |
| *2* | 14/02/2021 | Chapter 1 : Role of Working Capital |  | *2-hour lecture:* | *Continuous Assessment,**Project* |
| *1-hour lecture* |
| *3* | 21/02/2021 | Chapter 2: Analysis of the working capital cycle |  | *2-hour lecture:* | *Continuous Assessment,**Project* |
| *1-hour lecture* |
| *4* | 28/02/2021 | Chapter 2: Analysis of the working capital cycle |  | *2-hour lecture:* | *Continuous Assessment,**Project* |
| *1-hour lecture* |
| *5* | 07/03/2021 | Chapter 3: Cash holdings | 1,5 | *2-hour lecture:* | *Continuous Assessment,* *Final Exam* |
| *1-hour lecture* |
| *6* | 14/03/2021 | Chapter 3: Cash holdings | 1,2,5 | *2-hour lecture:* | *Continuous Assessment,* *Final Exam* |
| *1-hour lecture* |
| *7* | 21/03/2021 | Chapter 4: Inventory Management | 1,2,5 | *2-hour lecture:* | *Continuous Assessment* |
| *1-hour lecture* |
| *8* | 28/03/2021 | Chapter 4: Inventory Management | 1,2,5 | *2-hour lecture:* | *Continuous Assessment*  |
| *1-hour lecture* |
| *9* | 11/04/2021 | Chapter 5: Accounts Receivable Management | 1,2,5 | *2-hour lecture:* | *Continuous Assessment* |
| *1-hour lecture* |
| *10* | 18/04/2021 | Chapter 5: Accounts Receivable Management | 3,5 | *2-hour lecture:* | *Continuous Assessment* |
| *1-hour lecture* |
| *11* | 25/04/2021 | Chapter 6: Credit policy and collections | 3,5 | *2-hour lecture:* | *Final Exam* |
| *1-hour lecture* |
| *12* | 02/05/2021 | Chapter 6: Credit policy and collections | 3 | *2-hour lecture:* | *Final Exam* |
| *1-hour lecture* |
| *13* | 09/05/2021 | Chapter 6: Credit policy and collections | 3 | *2-hour lecture:* | *Final Exam* |
| *1-hour lecture* |
| *14* | 16/05/2021 | Chapter 7: Managing Supplier Financing | 4 | *2-hour lecture:* | *Final Exam* |
| *1-hour lecture* |
| *15* | 23/05/2021 | Chapter 7: Managing Supplier Financing | 4 | *2-hour lecture:* | *Final Exam* |
| *1-hour lecture* |