

ENG SCI 9701 - Business Acumen

Course Outline, Summer 2021

Objectives:

Designed for research students, this course is designed to develop literacy in the basic concepts of business, with a particular emphasis on finance and accounting. Discover a broad range of business subjects while learning the fundamentals. 'Speak the language' of top management. Find out about current events in the business news, and why they are relevant to you as a research engineer.

The topics for this course were selected as they address the most immediate ways in which research engineers 'work with the businesses. The course will prepare you not only to contribute within organizations, but to also develop the intuition of an entrepreneur should you ever decide to start your own business. Regardless of the career path that you choose, the course will also provide tools to enhance your own personal financial management.

Topics:

The course consists of ten weekly sessions and will be taught in an interactive workshop format. Based on the material covered in class, students will be provided with exercises that allow them to apply their knowledge in the following week. These exercises will be debriefed during class with immediate feedback. The topics for the ten weeks of class will include:

1. Basic accrual accounting concepts, financial statements, and the corporate financial reporting environment. You will be able to construct basic financial statements (balance sheet and income statement) and understand the environment in which these statements are prepared.
2. Financial analysis: You will be able to apply ratio analysis in order to assess the financial health of a company.
3. Projected financial statements and cash budgets: You will be able to forecast the financial statements for an organization and to interpret the results.
4. Short-term investment decisions: You will assess short-term investment decisions (i.e. projects with a life span of three years or less) based on an understanding of relevant costs, using tools like "breakeven" analysis.
5. Time value of money: Recognizing that the value of a dollar today is not the same as the value of a dollar at some point in the future, you will learn how this concept applies to the valuation of financial assets and liabilities.
6. Long-term investment decisions: Applying time value of money concepts, you will assess whether long-term projects should be pursued. This type of analysis is also referred to as "capital budgeting".
7. Business valuation, mergers and acquisitions: You will understand why companies acquire other companies and then quantify business valuations using a variety of approaches.

8. Personal financial management: We will cover a number of personal financial management topics including.
 - a. Organizational forms: sole proprietorships vs corporations vs partnerships
 - b. The Canadian Income Tax System
 - c. Basic tax planning using structures like RRSPs, TFSAs, and RESPs
 - d. Basic portfolio management and how diversification can be easily accomplished by an individual investor.
9. Hot topics and the pandemic's impact on business: We live in interesting and in truly unprecedented times. We will discuss how the pandemic has affected various types of businesses as well as the economy. The discussion of "current events" will be pervasive across the ten sessions.

Prerequisites:

This course is open to any PhD student at any stage of the program.

Instructor:

Section 001: Chris Sturby, CPA, CA, MBA, CFA (csturby@ivey.ca)

- Office hours: by appointment via zoom. Most efficient most days to stay after class and discuss in person.

Contact Hours and Schedule:

- Contact hours: 3 hours per class x 10 sessions.
- Scheduled for Thursdays between May 6 and July 8, from 1:30-4:30pm
- Sessions will be delivered online via Zoom. Zoom information will be posted in advance on OWL.

Course materials and textbook:

- Materials have been customized by the instructor for this course and are designed to be as up to date as possible. Materials will be communicated to students at least one week in advance of class and posted to OWL.
- In the event that additional cases are required, Students may be asked to purchase a "casebook" from Ivey Publishing for a nominal fee ~ \$25 - \$35. It is the intention of the instructor to keep student costs as low as possible.
- Other essential readings are provided in OWL, including any publicly- available cases.
- No required text.

Evaluation:

The final course mark is determined as a Pass/Fail. Full and prepared contribution to each session results in a Pass. After the second week, the instructor will provide insights on your progress as appropriate, intended to help you sustain your preparation, contribution, and interest in the course.

Non-attendance without significant extenuating circumstances will result in a Fail, as will poor preparation, disruptive behaviour, or other counterproductive activity.

Scholastic Offences:

Scholastic offences are taken seriously and students are directed to read the appropriate policy, specifically, the definition of what constitutes a Scholastic Offence, at the following Web site:

http://www.uwo.ca/univsec/handbook/appeals/scholastic_discipline_grad.pdf

Plagiarism:

University policy states that plagiarism, defined as the “act or an instance of copying or stealing another’s words or ideas and attributing them as one’s own.” (excerpted from Black’s Law Dictionary, West Group, 1999, 7th ed., p. 1170) is a scholastic offence. In submitting any written work as part of the coursework requirements for this course students must ensure that this work is written in their own words. Whenever students take an idea or a passage of text from another author, they must acknowledge their debt both by using quotation marks where appropriate and by proper referencing such as footnotes or citations.

All required papers may be subject to submission for textual similarity review to the commercial plagiarism-detection software under license to the University for the detection of plagiarism. All papers submitted for such checking will be included as source documents in the reference database for the purpose of detecting plagiarism of papers subsequently submitted to the system. Use of the service is subject to the licensing agreement, currently between The University of Western Ontario and Turnitin.com (<http://www.turnitin.com>).

A student who is found guilty of plagiarism in respect of any written work submitted as part of the coursework requirements for this course will be given a grade of zero for the submitted work. Repeated acts of plagiarism, either in this course or any other course subsequent to a first offence, will result in the student being given a failing grade for the course in which the subsequent offence occurs, and may also incur further penalties such as requiring the student to withdraw from the program in which they are enrolled in.

Attendance:

Any student who, in the opinion of the instructor, is absent too frequently from class, laboratory, or tutorial periods will be reported to the Dean (after due warning has been given). On the recommendation of the Department concerned, and with the permission of the Dean, the student will be debarred from taking the regular final examination in the course.

Accessibility:

Please contact the course instructor if you require material in an alternate format or if any other arrangements can make this course more accessible to you. You may also wish to contact Services for Students with Disabilities (SSD) at 661-2111 x 82147 for any specific question regarding an accommodation.

Conduct:

Students are expected to arrive at lectures on time, and to conduct themselves during class in a professional and respectful manner that is not disruptive to others. Late comers may be asked to wait outside the classroom until being invited in by the Instructor. Please turn off your cell phone before coming to a class, tutorial, quiz or exam.

On the premises of the University or at a University-sponsored program, students must abide by the Student Code of Conduct:

<http://www.uwo.ca/univsec/board/code.pdf>

Sickness and Other Problems:

Students should immediately consult with the Instructor or Department Chair if they have any problems that could affect their performance in the course. Where appropriate, the problems should be documented (see attached). The student should seek advice from the Instructor or Department Chair regarding how best to deal with the problem. Failure to notify the Instructor or Department Chair immediately (or as soon as possible thereafter) will have a negative effect on any appeal.

For more information concerning medical accommodations, please see:

http://www.uwo.ca/univsec/handbook/appeals/accommodation_medical.pdf

Notice:

Students are responsible for regularly checking their email, and the course OWL site for notices related to the course.