

## **COURSE DESCRIPTIONS**

### **ZSEM international summer school 2016**

**June 27-July 15 2016**

**Zagreb School of Economics and Management, Zagreb, Croatia**

#### **Corporate Finance: Mergers & Acquisitions**

6 ECTS credits\*

Mergers and acquisitions (M&A) are among the most dynamic, but also most difficult and error-prone strategic activities a company can undertake. Every business manager will most likely be involved or at least affected by a merger or takeover at some point in their career.

Future corporate executives need to have a holistic view of mergers. Thus the aim of this course is to give students a fundamental and solid guidance in planning and executing M&A. The individual sessions are structured along the typical merger process and participants will explore the topics of corporate strategy, due diligence, company valuation, financing, negotiation and post-merger integration.

Over the length of the course, students will build a solid basis through a combination of theory and practice. The seminar will involve case studies, valuation exercises, and group work and real-life negotiation simulations.

This course will be of special interest to participants planning careers in strategy consulting and investment banking, as well as those who plan to work in corporate development or finance functions within industrial firms. Students expecting to hold jobs in general management will find the seminar helpful as well.

#### **Game Theory**

6 ECTS credits\*

The main goal of the course is to introduce the basic concepts of game theory needed for the applications in economics (market competition, investment competition, competition in the international trade, monetary issues).

#### **International Finance**

6 ECTS credits\*

The course is consisted of three major parts: the role of multinational corporations on the international capital markets, the role of the foreign exchange markets and determination of the foreign exchange rates and methods of currency hedging.

The course will explain traditional and modern approaches to the currency determination: purchasing power parity, interest rate parity, monetary theory, portfolio balance theory, Mundell-Fleming model and the recent market microstructure theory. Students will familiarize with the causes and consequences of the recent financial crises.

The special emphasize is put on the currency risk hedging via options, futures, forwards and currency swaps. The aforementioned instruments will be illustrated on practical examples from financial markets.

## **International Management**

6 ECTS credits\*

International Management is a course designed to increase awareness of major challenges facing organizations and managers in today's hypercompetitive global marketplace. By focusing on the international dimensions of management and organization, the course provides a framework for formulating successful strategies in an increasingly complex world economy. Through a multi-disciplinary approach drawing on social anthropology, psychology, management and organizational theory, the course deals with various issues related to complexity of culture, cultural orientation of different organizations and individuals and the mapping of world cultures through the cultural dimensions of Hofstede and others.

## **Entrepreneurship**

6 ECTS credits\*

The Entrepreneurship course utilizes an interdisciplinary approach to business planning and is intended for undergraduate students in their senior year, as well as for international students on exchange at ZSEM. This approach allows students to recognize strengths and weaknesses of business plans and helps them develop an entrepreneurial mindset, which they can apply either as employees of large corporations or in their independent entrepreneurial pursuits. In this course, students will investigate the entrepreneurial environment in Croatia and in other countries. This way, students will learn which skills are necessary for someone to become a successful entrepreneur, and for that person to represent a valuable human resource in any organization.

## **Essentials of Investments**

6 ECTS credits\*

The course consists of two parts:

The first part is delivered via lecturing through which students learn about investment process, differences among financial asset classes, capital markets particularities, and portfolio management theories. We will analyze the environment in which investors assume various levels of calculated risks while pursuing their expected returns. Apart from learning about different portfolio creation approaches

and portfolio performance evaluation best practices, we will thoroughly cover concepts such as Capital Asset Pricing Model, Arbitrage Pricing theory, Modern Portfolio Theory, Portfolio Performance Attribution among others. Apart from understanding equity investments, students will also learn about bonds, managing bond portfolios, and derivatives. Finally, students will learn about the investment funds industry using many practical examples.

The second part consists of a portfolio management simulation exercise in which students are expected to professionally manage different asset classes based on principles learned in the lectures.

The emphasis of the course will be on the “real world”. Focus of the course will remain on understanding how investment decisions are made in today’s world, on the most common types of assets which people choose to invest in and their respective benefits and disadvantages, on risk-return trade-off, on efficient market hypothesis and its implications, and on approaches to valuing the different assets. The primary objective of the course is to help senior students learn the fundamentals of modern investment theory via lectures, presentations, discussions, case studies and portfolio management simulation. Students with interest in pursuing Chartered Financial Accountant (CFA) certification later in their careers will find this course as a valuable stepping stone.

## **E-Marketing**

6 ECTS credits\*

E-marketing course doesn’t require any previous knowledge from any specific field. During this course, students will learn main online marketing concepts and their practical meaning on web for implementation of online businesses.

At the end of the course students will gain a lot of practical knowledge throughout the development of their own marketing plan, also whilst planning websites, by using Google AdWords and Facebook marketing tools. During course students will create e-marketing campaign for their project idea. Marketing campaign will utilize e-marketing tools and technologies which will previously be explained and demonstrated in the class.

This course will also give students understanding of major e-marketing trends present at the market today and give them understanding of expected development in the future. Through number of cases, students will gain deeper understanding of main success and failure stories from the e-marketing arena, plus they will have an opportunity to engage in interesting discussions regarding modern e-marketing trends. Students will learn to analyze modern concepts, practices, and modern web e-marketing applications and services used on web today.

## **Hospitality Financial Management**

6 ECTS credits\*

This course introduces students to basic concepts of hospitality industry financial management, in an interesting and simple way. It covers managing and developing procedures and strategies for maximizing

revenues within hospitality organizations. Course provides a practical approach to help the hospitality manager effectively analyze hospitality industry management reports and financial statements; prepare business forecasts, strategic development models and effective cost control systems; manage working capital; develop and finance growth strategies; perform investment analysis; prepare investment packages; and ultimately increase shareholder value and personal wealth. The first part of the course begins with the introduction to financial analysis through the principles financial reports analysis, principles of time value of money and performance. The second part of the course covers sustainable company growth and external financing, long and short term financial planning and managing working capital. It also deals with valuing bonds and stocks and investment decisions analysis through different investment criteria (net present value, internal rate of return, profitability index). The final goal of the course is to prepare the students to apply the acquired knowledge in practice, and to be able to successfully perform financial analysis, financial planning and valuing projects in the field of corporate financing of private or public institutions.

### **CAPSTONE – Measuring & Maximizing Corporate Value (advised for master level students)**

6 ECTS credits\*

The aim of the course is to develop understanding on how to systematically integrate and manage all functions of a company in order to compete successfully in the corporate world of stock-exchange listed companies in the twenty-first century. A major perspective of this course is to synthesize prior coursework in order to help the student develop an integrated concept of issues affecting contemporary business environments. To help expose students to the realities of dynamic organizational issues CAPSTONE (a computer simulation) and combination of lectures and case studies will be utilized. By utilizing Capstone, students will be able to test alternative actions of operating a business in a competitive environment without incurring costs or the risk of implementing them in a real setting. Most organizational strategic and tactical decisions will be made after consulting with the colleagues/Board Members. Each student will have the opportunity to simulate this form of organizational life when working within his or her Capstone Team. A great deal of reputable multinational companies (IBM, Coca-Cola, Microsoft, Google, etc.) continuously applies Capstone simulation to improve managerial skills of their employees.

You will be placed in a Team/Management Board and will manage and analyze your Capstone Company as well as competitors in the marketplace. Over the period of eight years (eight rounds), the students/you will make decisions about various aspects of their company. Your decisions will affect not only respective company sales and profits but also a vast number of quantitative and qualitative outcomes.

You will have insight into problems facing top managers (CEOs, Marketing Directors, CFOs, Sales Directors, and Production Directors/Planners). You are, just as the Management Directors, expected to set up a strategy, objectives and pursue the best business policy in order to maximize the value of the firm you manage. The objectives are achieved more systematically and successfully by considering and applying concepts previously developed in other courses as well as in this course. To evaluate the firm's/Team's performance, several criteria will be examined. Each Team's performance will be evaluated on the basis of both financial and non-financial key performance indicators that signal whether the shareholder value has been created or destroyed.

## **Applied Creativity and Innovation (advised for master level students)**

6 ECTS credits\*

Those leaders and managers who use creativity and innovation to deal with challenges facing their organizations are the ones who not only survive but thrive in the 21st century landscape. This course will help participants to identify creativity in themselves and others. It will give them techniques to help harness the power of both abstract and concrete creative applications at work. Through a series of hands on exercises, participants will learn more about developing a creative community at work that supports inspiration and innovative approaches to both existing and new challenges. Lastly, participants will be able to apply their new insights by closely examining business cases as examples of creativity and innovation at work.

The purpose of this course is to encourage and support the creative process in building sustainable organizations where continuous innovation is understood, appreciated and valued.

- Understand of dynamics of individual, team and organizational creativity
- Use tools to assess creative potential and interpret applications
- Explore the links between the local creative and business communities
- Exercise individual creativity through established creative mediums
- Learn principles of creative applications to business scenarios
- Shape individual creative style and approaches through exploration of role models and best practices

## **Marketing Research with SPSS (advised for master or PhD level students)**

6 ECTS credits\*

This part of the Marketing Research course will apply a hands-on approach, providing a step-by-step treatment of the major choices facing marketing researchers and managers when using SPSS in practice. The lab will not only be useful for future marketing researchers who will be faced with using SPSS and other similar statistical software packages in their daily practice. Even more importantly, the knowledge and skills gained will be useful for all those future marketing managers commissioning and using results of marketing research reports to make marketing-related decisions. Lack of knowledge about how proper statistical procedures should be used and interpreted among marketing managers often results in statistics being left out or only superficially covered in marketing research reports, so as not to scare off the reader. This, of course, invariably, means that the marketing manager is no longer capable of judging for him/herself whether the correct procedures have been used or implemented properly and whether the results, indeed, show what the report claims they do. This lab will enable future marketing practitioners, as well as researchers (be it in practice (e.g. those employed in marketing research agencies), or in the academia (e.g. those continuing their education through PhD programs)) to conduct, understand, and, most importantly, correctly interpret appropriate statistical procedures used in marketing research.

The lab lessons will build upon the theoretical and practical knowledge learned in the Marketing Research course. Specifically, students' knowledge of research design, survey construction, and measurement level (i.e. variable types: nominal, ordinal, interval) will be crucial for understanding and making optimal use of the techniques discussed in the lab.

By the end of the lab, students who have no previous experience using SPSS will be able to analyse survey data using SPSS and interpret their findings. While statistics will not be taught from scratch, the main statistical tools used for survey data analysis will be reviewed and discussed. Students will be conducting analysis using SPSS on computers. Using real data sets from marketing research studies, students will learn how to:

- prepare a data set in SPSS,
- identify which types of analyses are appropriate for different types of data,
- analyse the reliability of multi-item scales (Cronbach's alpha),
- produce basic frequency distributions and descriptive statistics,
- produce cross-tabulations,
- test whether two proportions are different (z-test),
- test whether two means are different (t-test),
- test if three or more means are different (ANOVA),
- understand the cause-and-effect relationship between one dependent variable and several independent variables (linear regression),
- conduct cluster analysis,
- read and interpret SPSS output,
- build SEM models (optional - if time permits)"

## **Behavioral Economics**

6 ECTS credits\*

What if somebody told you that great part of economic theories, models and assumptions are questionable in terms of describing and/or predicting people's behavior?

The primary goal of this course is an introduction to the insights gained from incorporating psychology into economic modeling. Behavioral economics is one of the fastest growing scientific fields and field of practice. This interdisciplinary field is a combination of concepts derived from microeconomics, social & cognitive psychology, behavioral decision research, consumer research, neuroeconomics, experimental economics etc. Its main focus is on the question "How do people in reality make decisions". Some of the more specific questions include: How do real people execute decisions to quit smoking, commit to a relationship or save for retirement? How do they cope with risk and uncertainty? How do they weigh the present against the future? How do people perceive money and use it? Do people know what made us happy in the past and what will make us happy in the future? Do we know what made us happy in the past and what will make us happy in the future? How can brain imaging reveal in-depth comprehension of brain processes relevant to decision making? Why we fail on "Mondays" to start dieting or exercising? ...

Besides theoretical insight in this discipline, students will be presented with practical knowledge on how to manage the choice architecture, generate successful business strategies and to improve their own decision-making. Knowledge of these issues can be a significant source of competitive advantage, because they are unknown to most managers and are not taught in most undergraduate and MBA programs.

## ***IMPORTANT NOTE:***

*Besides choosing among these courses, all the students will have the course **Croatian studies** as an important part of experiencing Croatian culture and environment, but they cannot solely choose this course. **Croatian studies** are a course that will acquaint students with the general details of Croatian history, culture, geography, significant thinkers, as well as with issues pertaining to Croatia's modern development. This course is credited for 3 ECTS credits. The course involves 9 hours of class hours per week plus the field work.*

**\* 1 ECTS credit is approximately 0.5  
US credit.**