

RE: Pre-Skills Finance Course from Harvard Business School Publishing

Dear Smith School Evening MBA Students (DC01 and GS01),

BUSI 640 is an introductory course in corporate financial management. The course outlines the financial concepts and techniques used to evaluate corporate decisions. The topics include the time value of money, estimating opportunity costs of capital, valuation of common securities, and discounted cash flow. The objectives are to introduce the language and structure of finance and to develop the ability to analyze financial decisions.

In my experience, finance is one of those topics that most people master through repetition. We have a limited amount of time together during the semester and the course covers a significant amount of material. While we do not expect you to have previously taken a finance course, the more that you have been exposed to finance prior to the course, the more you will get out of it. To better facilitate a basic awareness of finance before the course begins, I am asking you to complete the online pre-skills course from Harvard Business School Publishing entitled “Finance Online Course: Introductory Section”. It is product number 6000-HTM-ENG (There is a second course available that has greater coverage but I am only asking you to complete the Introductory Section). **To encourage you to complete the course, 10% of your grade in BUSI 640 will come from whether or not you have obtained a score of at least 65% on Final Exam 1 by the first class meeting.** Note that while the website considers 75% to be passing, I am only looking for a score of 65%. Do NOT take Post-Test 2 unless I have specifically asked you to.

This online course introduces you to some of the material that we will cover in BUSI 640 (Time value of money, financial ratios, financial forecasting). I am not looking for you to have mastered these concepts before entering the course (why a 65% score is sufficient). Instead, I am looking for you to be familiar with them so that we can use our time together to push you closer towards mastery of the material.

The online course is **estimated to take from 8 to 10 hours** depending upon your experience with the material. If you have never been exposed to finance before, the course could take as long as 20 to 30 hours. You are urged to register for all of your online courses *as soon as possible*. Past experience indicates that many students significantly underestimate the time and effort needed to complete the courses. In addition, the more time you have given yourself to start learning some of the fundamental concepts of financial analysis, the less overwhelmed you will feel when the first term is underway.

If you have significant experience with the course material, it may be possible for you to successfully take the Final Exam without going through the various lessons in detail. Since you have only one chance to take the Final Exam, you should test your mastery by first taking the Pretest. Take the Pretest *only* if you have significant prior experience with the course material. If you score 75% or more on the pretest, you can consider taking the Final Exam without going through the various lessons in detail.

As a reminder, you will be taking the online course under the University of Maryland’s *Code of Academic Integrity* (see <http://www.president.umd.edu/policies/docs/III-100A.pdf> for details). Any violation of this code, such as receiving help from another individual in taking a test, will

result in an automatic “XF” on your transcript with the notation “failure due to academic dishonesty”.

Finally, I would also recommend that you make reading the financial press part of your daily routine. This could include the Wall Street Journal, the Financial Times, or watching networks such as CNBC or Bloomberg. If you are familiar with the financial issues reported upon in the press, it will enhance your understanding of the materials we examine in this course and the curriculum in general.

If you have any other questions, please feel encouraged to contact me via email (Professor Faulkender: mfaulken@rhsmith.umd.edu/Professor Mathews: rmathews@rhsmith.umd.edu). I look forward to working with you this spring!

Sincerely,

Michael Faulkender, PhD
Associate Professor of Finance
Director, Master of Finance Program
RH Smith School of Business
University of Maryland

Rich Mathews
Associate Professor of Finance
Robert H Smith School of Business
University of Maryland

Instructions for Purchasing Harvard Business School Publishing’s Finance Online Course: Introductory Section

Login Information:

- Turn off all pop-up blockers
- Click on the **appropriate link below** for your cohort's course section
 - Shady Grove (GS01): <http://cb.hbsp.harvard.edu/cbmp/access/55077835>
 - DC Evening (DC01): <http://cb.hbsp.harvard.edu/cbmp/access/55075136>
- Click on "Register Now" if applicable, or “Login Now” with your existing account
- Under Coursepack View, click on "Purchase Coursepack"
- You will be prompted for payment information and click "Next"

Payment: Individually by student directly to HBSP. You will receive the Smith discounted price of **\$35.00** for this course.

HBS courses are internet-based and cannot be accessed off-line. You can use different computers to access the course as long as each computer satisfies the following requirements:

Computer with minimum 1024x768 screen resolution
High speed internet connection (DSL / cable modem quality)
Windows 2000, XP, Vista, 7 / Macintosh OS 10.x operating systems
Firefox 3.6+ / Safari 4+ / Chrome web browsers with JavaScript and cookies enabled. (Note: Internet Explorer is not recommended for students using Online Courses or Tutorials. Please use one of the other supported browsers instead.)

Microsoft Excel 2010 or later is recommended for most online courses and is required for the Spreadsheet Modeling Online Course.

If you experience technical difficulty, please contact the Harvard Business School Publishing Technical Support Group: 1-800-810-8858 (outside the U.S. and Canada, 1-617-783-7700) -or email to - techhelp@hbsp.harvard.edu. HBSP tech support business hours are: Monday - Friday, 8am - 6pm ET.