

## Public Management Bachelor Programme

<b>Module</b>	<b>05 – Investment and Financing</b>		
Semester	3 <sup>rd</sup> semester (winter semester)		
Course	Investment and Financing (L/E) <span style="border: 1px solid black; padding: 0 2px;">DE</span>		
Workload	4 SPW	5 credits	150 workload hours (45 attendance hours, 105 self-study hours)
Admission prerequisites	–		
Module coordinator	Prof. Dr. Stefan Zahradnik		

### 1. Learning outcomes

Students will understand financial management tasks in the context of a business and be able to make investment and financing decisions using procedures of investment appraisal. They will be able to perform these tasks even in the event of incomplete capital markets, financial insecurities, and non-monetary dependent variables, as well as when considering taxes. Students will have a thorough command of the required methods and the theories that inform them and be able to solve even complex problems drawing on these methods and theories and using spreadsheet software. They will be able to differentiate between and evaluate different forms of financing, choose appropriate financial instruments, and complete the necessary calculations.

### 2. Recommended prior knowledge and skills

General knowledge of mathematics (A-level equivalent in mathematics) or preparatory course B1

### 3. Contents

- Basics of financial management
- Static procedures of capital budgeting
- Dynamic procedures of capital budgeting
- Decisions in the event of an incomplete capital market
- Decisions in the event of financial insecurity
- Decisions in the event of non-monetary dependent variables
- Capital budgeting taking account of taxes
- Economic life and replacement time decisions
- Simultaneous investment and financing decisions
- Forms of external financing
- Forms of internal financing
- Designing a pattern of finance
- Derivative finance instruments
- Rent or build comparison in relation to the provisions for the implementation of construction work in the Free State of Thuringia (RLBau) of the Thuringian Ministry for Construction, State Development and Transportation (TMBLV)

### 4. Modes of teaching and learning, workload

Lecture with active feedback from students and integrated practical exercises (39 hrs); supervised tutorials in the PC lab (6 hrs); preparation and revision of lectures (30 hrs); sample questions and test exam (50 hrs), discussion of sample questions and test exam answers during class; exam preparation (25 hrs).

### 5. Types of examination

Written exam (240 minutes, PC lab)

### 6. Literature

BIEG, Hartmut; KUßMAUL, Heinz: *Investition*, 2. Auflage, München 2009; BIEG, Hartmut; KUßMAUL, Heinz: *Finanzierung*, 2. Auflage, München 2009; BLOHM, Hans; LÜDER, Klaus; SCHAEFER, Christina: *Investition*, 10. Auflage, München 2012; KRUSCHWITZ, Lutz: *Investitionsrechnung*, 13. Auflage, München 2011; REICHARDT, Jacqueline: *Wirtschaftlichkeitsrechnung in der öffentlichen Verwaltung*, Stuttgart 2009; RÖHRICH, Martina: *Grundlagen der Investitionsrechnung*, München 2007 (German version); RÖHRICH, Martina: *Fundamentals of investment appraisal*, München 2007 (English version).

The instructor will provide additional material and sets of exercises.