Special Topics: HRM & Finance

Course Number: 37:533:322:01
Spring 2016
Days and Time: Monday and Wednesday, 1:40 - 3:00 p.m.
Room: TIL 257

Instructor: Jim Terez
Office: Levin Building, Room 217A
Email: jim.terez@rutgers.edu
Phone: c: 732-995-1737
Office Hours: by appointment
Class Site: https://sakai.rutgers.edu (Use your net ID and Password.)

Course Description
This course will examine the relationships between corporate finance and human resource management/labor relations. We will cover the connections between business strategy, financial strategy and human resource strategy. In addition, you will learn how to use financial decision making techniques for assessing and developing HR practices and programs.

School of Management and Labor Relations Learning Goals
This course focuses on the following SMLR / HR learning objectives:

- Quantitative Skills – Apply appropriate quantitative and qualitative methods to research workplace issues.
- Application – Demonstrate an understanding of how to apply knowledge necessary for effective work performance.

Course-specific Learning Outcomes
Upon completing this course, you will be able to:
1. Understand the alignment between business, financial and HR strategies.
3. Utilize discounted cash flow, capital budgeting, and cost of capital in planning HR initiatives.

Textbook

Other Readings

Course Methodology
Lectures, discussion, readings, group activities, and student presentations. We will also use supplemental readings on the internet and in the daily press and magazines.
Team Project/ Presentation
You will be assigned to a team throughout the course. Your team will be asked to prepare an analysis/solution for a reading, an assigned case, or other exercise and to present your work to the class. Additional details will be discussed in class and posted on Sakai.

Schedule

<table>
<thead>
<tr>
<th>Week</th>
<th>DATE</th>
<th>SESSION</th>
<th>TOPIC</th>
<th>TEXT</th>
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<tbody>
<tr>
<td>1</td>
<td>Jan 20</td>
<td>1</td>
<td>Business Strategy, Financial Strategy and HR Strategy</td>
<td>Chapter 1</td>
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<td>2</td>
<td>Jan 25</td>
<td>2</td>
<td>The Income Statement</td>
<td>Chapter 2</td>
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<td>Jan 27</td>
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<td>Chapter 2</td>
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<td>Feb 1</td>
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<td>The Balance Sheet</td>
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<td>Chapter 3</td>
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<td>4</td>
<td>Feb 8</td>
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<td>Cash Flows and Timing</td>
<td>Chapter 4</td>
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<td>Feb 10</td>
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<td>Chapter 4</td>
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<td>5</td>
<td>Feb 15</td>
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<td>EXAM I – Chapters 1,2,3 &amp; 4</td>
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<td>5</td>
<td>Feb 17</td>
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<td>Financial Statements as Windows into Business Strategy</td>
<td>Chapter 5</td>
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<td>Feb 22</td>
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<td>Feb 24</td>
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<td>Stocks, Bonds and Weighted Average Cost of Capital/Capital Budgeting</td>
<td>Chapter 6</td>
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<td>Feb 29</td>
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<td>March 2</td>
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<td>Discounted Cash Flow Analysis and Capital Budgeting</td>
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<td>March 7</td>
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<td>March 9</td>
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<td>Financial Analysis of Human Resource Initiatives</td>
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<td>March 12 through March 20</td>
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<td>March 21</td>
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<td>9</td>
<td>March 23</td>
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<td>EXAM II – Chapters 5, 6, 7, &amp; 8</td>
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<td>Financial Analysis of Strategic Initiatives</td>
<td>Chapter 9</td>
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<td>March 30</td>
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<td>Chapter 9</td>
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<td>April 4</td>
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<td>Equity-based Compensation: Stock and Stock Options</td>
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<td>April 6</td>
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<td>12</td>
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<td>Pension and Retirement Programs</td>
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<td>April 13</td>
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<td>13</td>
<td>April 18</td>
<td>24</td>
<td>Creating Value and Rewarding Value Creation</td>
<td>Chapter 12</td>
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<td>April 20</td>
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<td>April 25</td>
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<td>Project Presentations</td>
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<td>Wrap Up</td>
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<td>[TBD]</td>
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<td>EXAM III – Chapters 9,10,11 &amp; 12</td>
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**Grading Weights**

Exam I 25%
Exam II 25%
Exam III 25%
Team Project/Presentation 20%
Attendance and Participation 5%
Total 100%

**Grading Scale**

90-100% A
85-89.9 B+
80-84.9 B
75-79.9 C+
70-74.9 C
65-69.9 D
<64.9 F

**Attendance and Participation**

The attendance and participation grade consists of 40% attendance and 60% class discussion/poll responses. Points can be gained for insightful contributions to class and good attendance, and points can be lost for frequent absenteeism, being unprepared, and misconduct during class. For each class session, you are expected to have read the assigned reading for that particular session, as well as be prepared to discuss topics in class.

**Attendance at every class is required. Attendance will be monitored through Poll Everywhere.**

**Registering for Poll Everywhere**

Throughout the semester, attendance will be taken via the Poll Everywhere website. In addition, questions related to the readings may be asked (Poll Questions). You can respond to the poll questions in two different ways, (1) via text message sent from a mobile phone, and (2) via web browser on your mobile phone, tablet, or laptop. The only time you are permitted to use these electronic devices is during the in-class polling sessions.

You will need to register with the Poll Everywhere website at least 24 hours prior to our third class and will receive further instructions prior to that time.
Please remember that for your attendance and responses to poll questions you will need to bring your mobile phone, tablet or laptop with you to class. If you do not have access to any of these electronic devices, please see me for an alternative option.

Professionalism Policy

• **Phones, PDA’s, and similar electronic devices are not to be used in class.** Please make sure these are turned off and put away before class begins. No email, texting, tweeting, etc., or web surfing will be allowed in this class out of respect for others.

• **Students arrive on time.** On time arrival ensures that classes are able to start and finish at the scheduled time. On time arrival shows respect for both fellow students and faculty and it enhances learning by reducing avoidable distractions.

• **Students are fully prepared for each class.** Much of the learning takes place during classroom discussions. When students are not prepared, they cannot contribute to the overall learning process. This affects not only the individual, but their peers who count on them, as well.

• **You are responsible for all administrative announcements** including any changes announced on Sakai.

• **Special Needs.** If you are a special needs student and you wish to be granted special accommodations, please notify me.

• **No extra-credit projects will be given at any time during the semester.**

Academic Honesty

The University’s honesty policy on cheating and use of copyrighted materials will be enforced in this class. Students are expected to pursue knowledge with integrity and abide by the Academic Integrity Policy. Please refer to the Academic Integrity Policy for more detail: http://academicintegrity.rutgers.edu/academic-integrity-at-rutgers

Students with Disabilities

Students requesting accommodations for disabilities should contact the Office of Disability Services to determine his/her Coordinator. The Coordinator will then provide documentation to the student. Upon review and approval, the student must then provide this documentation to the instructor. Please refer to the Office of Disability Services for Students for more detail regarding this policy: http://disabilityservices.rutgers.edu/request.html

Examinations

Three exams will cover all course material, including lectures, discussions, exercises, and readings. Each exam will cover approximately one-third of the course material. The exams will be non-cumulative.

Make-up policy

The dates of each of the three exams are noted on the course agenda. An exam grade of zero (0) will be assigned to any student who is absent without a legitimate excuse on the date of a regularly scheduled test. Legitimate excuses include illness (verified with a note from a doctor), inclement weather (only when the Rutgers Information Service, 732-932-INFO, indicates that Rutgers is closed), when I as the instructor email the class announcing that class is suspended, or other critical circumstances such as a death in the family. A make-up exam will be held at a time that is convenient for the instructor. An officially cancelled examination will be held at the next regularly scheduled class period.

I look forward to working with you!
Academic Integrity Contract
(To be signed and turned in at the first class)

All members of the Rutgers University community are expected to behave in an ethical and moral fashion, respecting the human dignity of all members of the community and resisting behavior that may cause danger or harm to others through violence, theft, or bigotry. All members of the Rutgers University community are expected to adhere to the civil and criminal laws of the local community, state, and nation, and to regulations promulgated by the University. All members of the Rutgers University community are expected to observe established standards of scholarship and academic freedom by respecting the intellectual property of others and by honoring the right of all students to pursue their education in an environment free from harassment and intimidation. Please see http://studentconduct.rutgers.edu/university-code-of-student-conduct for details regarding the Student Code of Conduct. Please see http://academicintegrity.rutgers.edu/files/documents/AI_Policy_2013.pdf for details regarding the Academic Integrity Policy.

Similarly, all students and faculty members of the academic community at the School of Management and Labor Relations should uphold high standards for personal conduct, ethical behavior, and professional integrity. In the area of academic integrity, students are expected to refrain from cheating, fabricating information, plagiarizing, inappropriately denying others access to material, and facilitating others in academic dishonesty.

Any of the following acts, when committed by a student, is an act of academic dishonesty and decreases the genuine achievements of other students and scholars. Academic dishonesty includes, but is not limited to, any of the following:

Plagiarism/False Representation of Work

- Quoting directly or paraphrasing portions of someone else’s work without acknowledging the source.
- Submitting the same work, or major portions thereof, including presentations, to satisfy the requirements of more than one course without permission from the instructor.
- Using data or interpretative material for a report or presentation without acknowledging the sources or the collaborators.
- Failing to acknowledge assistance from others, such as help with research, statistical analysis, or field data collection, in a paper, examination, or project report.
- Submitting purchased materials such as a term paper as your own work.
- Copying or presenting material verbatim from any source without using quotation marks.
- Copying from any source and altering a few words to avoid exact quotation, without the appropriate documentation or by using improper documentation of the source.
- Rewording the major concept found in a source but then omitting documentation or improperly citing the source.
- Submitting as one’s own any work created by someone else (e.g., paper, project, speech, video, exercise, etc.) without crediting them. Large duplication of someone else’s work should be avoided unless you obtain express permission from both the instructor and originator of the work.
• Fabricating or misrepresenting data or information
• Forging signatures

**Cheating**

- Copying work on examinations.
- Acting to facilitate copying during an exam.
- Sharing answers through technology or in written or verbal form when such interactions are prohibited.
- Using prohibited materials, such as books, notes, phones, or calculators during an examination.
- Working with another student on an assignment when such collaboration is prohibited.
- Stealing or having in one’s possession without permission any materials, or property belonging to or having been generated by faculty, staff, or another student for the course.
- Willfully offering to do another student’s work so they may represent it as their own.
- Assisting another student in cheating or plagiarizing.
- Doing another student’s work, excluding collaborative learning assignments or joint assignments approved by the instructor.

Engaging in any of the above behaviors can result in an F on the examination or project, an F in the course, denial of access to internships, suspension for one or more semesters, or permanent expulsion from the School of Management and Labor Relations at Rutgers University.

I, ___________________________________________ understand the Policies on Academic Integrity and the Student Code of Conduct at Rutgers University and the School of Management and Labor Relations. Furthermore, I understand the consequences of unethical behavior.

We all share a responsibility in creating an ethical environment. I resolve to uphold and support high standards for ethics and integrity at Rutgers University. If I see, hear, or observe violations of ethics and integrity I will report them to my instructor, Department Chair, or Dean.

Student Signature: ____________________________Date:_________________

Student Name (Please Print):

__________________________________________________________________

Rutgers University ID:

__________________________________________________________________