Course Syllabus
Financial Fundamentals for HR Professionals: Spring 2016
Course Number 38:533:618:01 Sp16
Mondays, 4:30 pm to 7:10 pm
Levin Building, Room 106

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Phone: 848-445-5639
Office Hours: Tuesdays, 5:00 pm to 6:00 pm
Class Material: https://sakai.rutgers.edu (Use Net ID and Password.)

The purpose of this course is to equip students with a solid foundation in finance and accounting principles used in HR Decision Making: Financial Decisions. Students will apply these basic concepts to HR issues such as reaping the value of Big Data, service transfer pricing, staff and program budgeting, and cost behavior.

Learning Objectives
After completing this course, you will be able to do the following:
B. Connect the financial statements and show how they impact each other
C. Demonstrate how accounting choices and management decisions impact financial results such as revenue, expenses and profit
D. Review corporate proxy statements and identity issues impacting HR
E. Complete a cost-volume-profit analysis on a changing HR activity, such as replacing classroom learning with online learning, outsourcing pre-employment processing, or offering onsite daycare.
F. Identify internal chargeback options for HR services and their potential impact on client usage, HR profit and staff motivation
G. Compare fixed and flexible budgeting techniques and apply them to project planning
H. Prepare several case analyses to reinforce the concepts outlined above on Big Data, program management and operating leverage

School of Management and Labor Relations Learning Goals Met by This Course
II) Quantitative Skills – Apply appropriate quantitative and qualitative methods for research workplace issues.
   • Formulate, evaluate, and communicate conclusions and inferences from quantitative information
   • Apply quantitative methods to analyze data for HR decision making including cost-benefit analyses, ROI, etc. (HRM)
   • Apply qualitative methods appropriately, alone and in combination with quantitative methods
VI) Application – Demonstrate an understanding of how to apply knowledge necessary for effective work performance
   • Apply concepts and substantive institutional knowledge, to understanding contemporary developments related to work
   • Understand the legal, regulatory and ethical issues related to their field
   • Develop human resource management functional capabilities used to select, motivate, and develop workers (HRM)
   • Understand the internal and external alignment and measurement of human resource practices (HRM)

Methodology
Classroom sessions will introduce text concepts and supplement them with HR-focused case studies. Students should be prepared to analyze cases using Excel individually and in teams.

**Texts**

*Cornerstones of Managerial Accounting* – 5th Edition by Don R. Hansen, Dan L. Heitger and Maryanne M. Mowen (Cengage Learning)  

**UFS Grading Basis**

| Exam I – Structure and Relationships | 30% |
| Exam II – Business Activity and Impact | 30% |
| Exam III – Risk and Investment Management | 30% |
| Capital Investment Team Project and Presentation | 10% |
| Total | 100% |
Capital Investment Team Project and Presentation
You will work in teams to do the following:
I. Select a long-term, capital investment for your Human Resources group, e.g. an applicant tracking system, recruitment assessment center, new training conference center, etc.
II. Conduct a cost-benefit analysis using present value.
III. Calculate the payback period and net present value the proposed investment.
IV. Write a report describing your analysis and rational for your decision.

Your team will prepare a three-to-five page report and deliver a PowerPoint presentation to the HR executive committee (comprised of instructor and class participants) of your recommendation and analysis. Grades will be based on the quality of your:
I. Analysis
II. Written report
III. Presentation

Grading Scale
A  90 - 100
B+ 88 - 89
B  80 - 87
C+ 78 - 79
C  70 - 77
F  60 – 69
<table>
<thead>
<tr>
<th>Date</th>
<th>Session</th>
<th>Topic</th>
<th>Reading/Deliverable</th>
<th>Case/Exercise</th>
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<tr>
<td>1/25</td>
<td>1</td>
<td>Introduction to Financial Statements</td>
<td>UFS, Chapter 1</td>
<td>Exercise: Placement of HR Investments and Activities on Financial Statements</td>
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<tr>
<td>2/1</td>
<td>2</td>
<td>Double-entry Bookkeeping and the Matching Principle</td>
<td>UFS, Chapter 2 and 3</td>
<td>Case: HR Breaks Out of Cost Center Mold</td>
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<td>3</td>
<td>Cash Flow Analysis/Solvency and Profitability</td>
<td>UFS, Chapter 4</td>
<td>Case: How Are We Doing?</td>
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<td>Proxy Statements and HR Impact/Role of Big Data in Business and HR Opportunities</td>
<td>UFS, Chapter 5</td>
<td>Case: HR’s Untapped Potential</td>
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<td>Exam I Cost Behavior and Operating Leverage</td>
<td>Exam in class CMA, Chapter 2</td>
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<td>Cost-Volume-Profit Analysis</td>
<td>CMA, Chapters 3 and 4</td>
<td>Case: Recruiting Recruiters</td>
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<td>Cost-Volume-Profit Analysis (Continued)</td>
<td>CMA, Chapter 4</td>
<td>Case: Planning Employee Counseling and Resource Center</td>
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<td>Spring Recess – No class on 3/14</td>
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<td>Budgeting: Master, Operating and Financial Budgets/Profit Planning</td>
<td>CMA, Chapter 9</td>
<td>Case: Planning Employee Counseling and Resource Center</td>
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<td>Using Big Data for Employee Selection/Activity-based Budgeting and Overhead Analysis</td>
<td>CMA, Chapter 11 and other assigned reading</td>
<td>Case: Selection Criteria – What Matters the Most?</td>
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<td>Exam II (Noncumulative) Transfer Pricing/Payroll Expenses</td>
<td>Exam in class CMA, Chapter 12</td>
<td>Case: Training Chargebacks</td>
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<td>4/11</td>
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<td>Capital Investment</td>
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<td>Exercise: Missed Payroll Deadline</td>
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<td>Pension Liabilities: Defined Benefit or Defined Contribution</td>
<td>UFS, Chapter 3 and other assigned reading</td>
<td>Case: Investment Risk Analysis – Defined Benefit vs. Defined Contribution Plans</td>
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<td>Maintaining Internal Control: Sarbanes-Oxley Act’s HR Impact</td>
<td>UFS, Chapter 1 and other assigned reading</td>
<td>Exercise: Evolving Controls and Remission Testing</td>
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<td>Capital Investment Team Project</td>
<td>Presentations All Papers Due</td>
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<td>Exam III (Noncumulative)</td>
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