



RUTGERS

HRM & Finance

Course Number: 37:533:360:02

Spring 2020

Days and Time: Monday and Thursday, 10:20 – 11:40 a.m.

Room: 003 JLB [Janice Levin Building]

[Syllabus as of January 8, 2020]

Instructor: Jim Terez
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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 Objectives

This course is designed to help students attain the following SMLR learning objectives:

II) Quantitative Skills – Apply appropriate quantitative and qualitative methods for researching 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)

VI) Application – Demonstrate an understanding of how to apply knowledge necessary for effective work performance

- 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)

VII) Professional Development – Demonstrate an ability to interact with and influence others in a professional manner, and to effectively present ideas and recommendations

- Communicate complex ideas effectively, in standard written English
- Analyze and synthesize information and ideas from multiple sources to generate new insights
- Produce high-quality executive summaries

- Present ideas and arguments in a logical and effective way

Course-specific Learning Outcomes

Upon completing this course, you will be able to:

1. Understand and analyze the alignment between business, financial and HR strategies.
2. Analyze financial statements - income statement, balance sheet and cash flow statement.
3. Understand and analyze how organization financial performance impacts HR activities and vice versa.
4. Understand and analyze how HR activities are shown in the financial statements.
5. Utilize discounted cash flow, capital budgeting, and cost of capital in planning HR projects.
6. Understand and analyze the basic characteristics of stocks and bonds.
7. Understand and analyze the basics of employee equity compensation.
8. Understand the basics of retirement plan financing.

Textbook

Financial Analysis for HR Managers: Tools for Linking HR Strategy to Business Strategy by Steven Director, published by Pearson Education, 2013 (ISBN-13: 978-0133925425)

[Let's discuss the book in class, before you purchase.]

Other Readings

Available through the Library—Wall Street Journal, New York Times, Fortune, Forbes, Business Week, Harvard Business Review.

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.

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.

Team Project/ Presentation

You will be assigned to a team throughout the course. Your team will be asked to prepare a project applying financial concepts to an HR program, and to present your work to the class. Additional details will be discussed in class and posted on Sakai.

Schedule

Week	DATE	SESSION	TOPIC	TEXT
1	Jan 23	1	Business Strategy, Financial Strategy and HR Strategy	Chapter 1
2	Jan 27	2	The Income Statement	Chapter 2
2	Jan 30	3		Chapter 2
3	Feb 3	4	The Balance Sheet	Chapter 3
3	Feb 6	5		Chapter 3
4	Feb 10	6	Cash Flows and Timing	Chapter 4
4	Feb 13	7		Chapter 4
5	Feb 17	8	EXAM I – Chapters 1,2,3 & 4	
5	Feb 20	9	Financial Statements as Windows into Business Strategy	Chapter 5
6	Feb 24	10		Chapter 5

6	Feb 27	11	Stocks, Bonds and Weighted Average Cost of Capital/Capital Budgeting	Chapter 6
7	March 2	12		Chapter 6
7	March 5	13	Discounted Cash Flow Analysis and Capital Budgeting	Chapter 7
8	March 9	14		Chapter 7
8	March 12	15	Financial Analysis of Human Resource Initiatives	Chapter 8
	March 14 – March 22		Spring Break	
9	March 23	16		Chapter 8
9	March 26	17	Financial Analysis of Strategic Initiatives	Chapter 9
10	March 30	18	Financial Analysis of Strategic Initiatives	Chapter 9
10	April 2	19	EXAM II – Chapters 5, 6, 7, & 8	
11	April 6	20	Equity-based Compensation: Stock and Stock Options	Chapter 10
11	April 9	21		Chapter 10
12	April 13	22	Pension and Retirement Programs	Chapter 11
12	April 16	23		Chapter 11
13	April 20	24	Creating Value and Rewarding Value Creation	Chapter 12
13	April 23	25		Chapter 12
14	April 27	26	Project Presentations	
14	April 30	27	Project Presentations	
15	May 4	28	EXAM III – Chapters 9,10,11 & 12	
15	[TBD]	29	Wrap Up	

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.

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: <https://ods.rutgers.edu/>

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.

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I look forward to working with you this semester!

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/academic-integrity-policy/> 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:
