

Code-Course	064404 – Financial Management in Hospitality				
Year	Fourth	Credits	4,5 ECTS		
Thematic Area	Economics and Finance	Course Type	OMH		
In-class hours	36 h	Teacher-led learning hours	36 h	Individual work hours	40,5 h

BRIEF COURSE DESCRIPTION

To manage a company effectively, it is important to know the external and internal factors that can affect the choice of the financial corporate strategy.

The subject is part of the compulsory specialization in Hospitality Management and is essential to achieve the study of knowledge management and leadership that companies require in today's economy.

Financial Management draws upon the knowledge that the student has acquired from other courses (accounting, economic and financial analysis, and revenue management). The course objective is to teach how to define, design and implement appropriate financial strategies to face the real problems in the hospitality industry, as well as to teach the several decision-making methods for investments.

BASIC SKILLS

BS02 – Students must be able to apply their knowledge to their work in a professional way and possess the skills used to develop and defend arguments and solve problems within their study field.

GENERAL SKILLS

GS07- Make decisions and solve problems, critically interpreting and evaluating the results obtained.

GS08- Master the techniques of oral and written communication in order to transmit information, ideas, opinions, etc.



SPECIFIC SKILLS

SS06- Analyze and evaluate tourism potential when designing products, services, and projects.

SS16- Manage financial resources.

LEARNING OBJECTIVES

1. Know the basic principles of hotel management.
2. Know the necessary instruments to be able to evaluate the most usual investment and financing operations in the accommodation companies.
3. Know the main methods of financial planning to optimize financial resources.
4. Prepare and analyze the items that make up a hotel budget, specified in specific areas or departments.
5. Know instruments and mechanisms for obtaining financial resources.

ACADEMIC CONTENTS

1. Unit 1. Main topics on Corporate Finance in Hospitality
 - 1.1. Introduction
 - 1.2. Economic and Financial Flows
 - 1.3. Balance Sheet and Income Statement
 - 1.4. Break Even Point
 - 1.5. P&L Budget
 - 1.6. Business Case
2. Unit 2. Cash Flow and Cash Flow Forecast
 - 2.1. Introduction
 - 2.2. Working Capital and Cash Cycle
 - 2.3. Cash Flow and Tourism Business
 - 2.4. Business case

3. Unit 3. Financial Strategy

3.1. Types of financial needs

3.2. Main Financial sources

3.3. Business case

4. Unit 4. Investment decisions

4.1. Introduction

4.2. Main ratios for decision-making: NPV, IRR, Payback

4.3. Business Case

LEARNING METHODOLOGY

The learning methodologies planned for the subject combine a number of processes being the most remarkable the cognitive methods related to the comprehension of the principles of tourism and the global tourism system as well as the inclusion of a set of skills, mainly technical.

The activities and methodologies -both group and individual- designed for this subject are the following:

- Lectures
- Case studies
- Guided discussions
- Practical exercises
- Problem-based learning

ASSESSMENT SYSTEM

The assessment system measures the student's achievement of learning outcomes regarding the subject's competences and contents.

Students may choose continuous assessment or single assessment:

Continuous Assessment: the teaching-learning process is assessed by a continuous monitoring of the work done by the students throughout the course and a final individual

examination. Students must attend classes in order to be assessed by continuous assessment.

Single Assessment: for those students who cannot come to class regularly, they can choose to be assessed by single assessment. The teaching-learning process is assessed by means of the assessment of all activities and in-person individual examination at the end of the course.

To qualify for this form of assessment, students must apply within the first 15 days of the start of the course through the assessment section of Virtual Campus.

The assessment activities planning will be public for the students from the start.

Activities	Type	Continuous	Single	Week deadline
Activity 1. P&L Bgt and CF forecast	Individual	15 %	20%	Week 10
Activity 2. Investments	Individual	15 %	20%	Week 16
Partial Exam	Individual	20%	0%	Week 8
Final Exam	Individual	50 %	60 %	At the end of the course
	TOTAL	100%	100%	

To pass the course, it is mandatory to have obtained a minimum final grade of "5", as long as the student has completed the individual exam/s or work/s established in the course. This exam/s or final work/s must be graded with a minimum of "4" in order to be able to calculate the average of all the assessment activities carried out during the course.

Revision and Reassessment of the Course



The student has the right to revise all the evidences that have been designed for the assessment of learning.

If a student fails to achieve the learning objectives of the course, in order to opt for the subject reassessment, it will be necessary to have obtained a final grade of the subject between "4-4.9", and to have attended the individual final exam/s or final work/s of the course.

The reassessment process will only involve the modification of the final grade in the case that the new assessment activity is passed and, in any case, the maximum grade will be "5". This grade will be averaged with the other grades of the assessment activities carried out by the student during the corresponding academic period, considering the percentages established in each subject, setting the final grade for the course.

REFERENCES

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- Higgins, Robert C. (2012). Analysis for financial management. Tenth edition. Wiley, New York.
- O'Sullivan, K. (2010). From adversity, better budgets: Tempted to abandon budgeting altogether, companies have instead taken it to a new level. [www.https://www.infinance.lu/actualites/adversity-better-budgets](https://www.infinance.lu/actualites/adversity-better-budgets)
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