

Course Outline

Virtual Exchange Autumn Semester 2021_22

Cross-Border M&A

Number of ECTS-Credits: 5

Format of the course:

- synchronous online course (FIX timeslots)
- asynchronous online course (NO fix timeslots)
- mix of synchronous and asynchronous online course
- synchronous hybrid course (students can choose online OR on campus in FIX timeslots)
- asynchronous hybrid course (students can choose online OR on campus in NON-fix timeslots)
- mix of synchronous and asynchronous hybrid course
- other, namely:

Number of Students accepted

- Total number of students is limited to 30
- Total number of students is unlimited
- Total number of virtual exchange students is limited to
- Total number of virtual exchange students is unlimited

Responsible lecturer: Dr. Fabian Schmid

Link to lecturer's profile at FHNW:

<https://www.fhnw.ch/de/personen/fabian-schmid>

Table of Contents

1. Course content.....	3
2. Learning objectives	3
3. Prior knowledge and entry requirements	4
4. Course structure and dates	4
5. Assessment	5
6. Literature	5
7. Grading	5

1. Course content

The focus of this module is to gain international exposure and competence by working in teams on an international project in the field of mergers and acquisitions (M&A). The project is an interdisciplinary, interactive, cross-cultural course focusing on industry and company consolidation. The aim is to merge a Swiss company with a foreign competitor.

Emphasis will be placed on the following subjects:

- Advising on and carrying out industry and comparative (financial) analyses of two international companies
- Valuation of two real companies on the basis of different methods with a particular focus on the assessment and quantification of possible synergies
- Negotiating and communicating an acquisition or merger deal from an international perspective
- Elaborating a reasonable deal structure, considering of different financing options of an M&A deal and summarizing the key terms and conditions in a letter of intent (LOI)
- Running a stakeholder and corporate social responsibility (CSR) analysis and setting up a plan for integration
- Convincing the board of directors of the merits of the planned transaction with written reports and presentations

2. Learning objectives

Knowledge and understanding: Being able to recognise the complexity of strategic financial decisions. Students are able to combine interdisciplinary knowledge and integrate quantitative with qualitative business administration.

Application of knowledge and understanding: Analyzing and presenting complex (financial) information in an international context, thus showing the ability of abstract thinking and demonstrating an understanding of financial relationships. Applying the techniques of company valuation.

Ability to make judgements: Evaluating financial alternatives to investments such as M&A. Assessment and quantification of possible synergies in a merger of two companies. Determining a fair purchase price or exchange ration on the basis of the determined company values. Distinguishing important from unimportant information and recording the key points of the transaction in a LOI.

Communication: Negotiating and communicating an acquisition or merger deal from an international perspective. Co-operating in teams with different cultural backgrounds and from different countries. Identifying and assessing cultural issues in business-relations and bilateral communication scenarios.

Self-learning skills: Students are able to independently acquire knowledge about business transactions and valuation methods through literature studies and discussions. They are able to obtain the qualitative and quantitative information required for the assessment and evaluation of a strategic transaction from various sources and to process it in a differentiated manner.

Students should have the following competencies after completing this course:

- Being able to recognise the complexity of strategic financial decisions
- Analysing and presenting complex (financial) information on macroeconomics, industry sectors and companies in an international context, thus showing the ability of abstract thinking and analytical skills
- Being able to compare two companies on the basis of various key figures and identify the key drivers of enterprise value
- Advising to different stakeholders and shareholders, based on in-depth analysis
- Reporting of outcomes in various formats (reports, calculations, discussions, presentations)
- Organisation of live meetings (video conference)
- Negotiating to business clients in an international context

- Cooperating in teams.

Goals related to intercultural and international aspects of the topic

- Explain the dimensions of culture and how they impact aspects of the topic
- Evaluate international aspects of the topic, consider cross-cultural implications
- Collaborate in various cultural settings, achieving specific and desired results
- Reflect on own intercultural awareness, cultural orientation and own communication preferences

3. Prior knowledge and entry requirements

- As this module requires participants to be able to discuss complex issues fluently, a good level of English is required min. B2/C1 (CEFR), IELTS 5.5, TOEFL iBT 46-59 or equivalent
- There are no further formal entry requirements for this course. However, some basic knowledge in Accounting, Corporate Finance, Financial Reporting & Controlling would be desirable.

4. Course structure and dates

This course runs for eight weeks, and consists of input sessions, consultations, presentations, video conferences and other ways of exchanging information via email, video conferences and other communication media. Each week, short online introductory lessons are held on individual topics. The majority of the course is taken autonomously, i.e. in groups and in exchange with another assigned group of students from a partner university. The task of the lecturer is not primarily to teach theory and concepts, but rather to coach the individual groups and to give assistance and feedback where needed.

Each week, in groups, students hand-in an assignment on different topics. Parts of the sessions are intended for inputs, consultations and presentations.

The course will be held entirely online at the following dates:

Block	1		
Week	36		
Date	Mo, 6 September 21	Time	13.15 – 17.00
Content	Introduction and overview, cross-cultural management, industry analysis		
Form	Online, central		

Block	2		
Week	37		
Date	Mo, 13 September 21	Time	13.15 – 17.00
Content	Company and comparative analysis		
Form	Online, decentral		

Block	3		
Week	38		
Date	Tu, 21 September 21	Time	13.15 – 17.00
Content	Business valuation		
Form	Online, decentral		

Block	4		
Week	39		
Date	Tu, 28 September 21	Time	13.15 – 17.00
Content	Negotiations, deal structuring, financing, letter of intent (LOI)		
Form	Online, decentral		

Block	5		
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Week	40		
Date	Tu, 5 October 21	Time	13.15 – 17.00
Content	Stakeholder analysis, corporate social responsibility (CSR), integration		
Form	Online, decentral		

Block	6		
Week	41		
Date	Tu, 12 October 21	Time	13.15 – 17.00
Content	Preparation of the final presentation		
Form	Online, decentral		

Block	7		
Week	43		
Date	Tu, 26 October 21	Time:	13.15 – 17.00
Content	Final presentation to the board		
Form	Online, central		

5. Assessment

- Assessment with (online)presentation, report, groupwork, test etc. during semester
- Final written test on campus can be replaced for remote students with an additional assignment
- Final written test on campus can be replaced for remote students with oral testing

6. Literature

Compulsory literature	
Title:	Fundamentals of Corporate Finance
Authors:	Richard A. Brealey, Stewart C. Myers, Alan J. Marcus
ISBN:	978-1260566093
Publisher:	McGraw-Hill

7. Grading

- Pass-fail
- According to swiss grading system (see below)

Mark	6.0	5.5	5.0	4.5	4.0	below 4
In words	excellent	very good	good	satisfactory	pass	fail

The student has the right to appeal against the grading within a period of not more than 14 working days after its communication. Any appeal must be sent to io.business@fhnw.ch in writing and must be accompanied by valid arguments. It will be handled according to the Study and Examination Regulations for the Bachelor of Science Business Administration at FHNW.