

Course ID	Course Description	Course Objectives
EMMM 6580-40 Financial Decision-Making	This course presents the basic principles and concepts of managerial finance in the context of health care delivery organizations. The central topics covered include the elements of present value concepts, required rates of returns and costs of capital, and resource allocation decision making.	<ol style="list-style-type: none"> 1. Discuss the similarities/differences in the concepts and terminology used in preparing standard financial statements and those used by managerial finance in making forecasts for resource allocation decisions. 2. Identify the factors involved in determining organizational required rates of return including the Weighted Average Required Rate of Return (WARR). 3. Identify the factors involved in determining organizational cost of capital including the Weighted Average Cost of Capital (WACC). 4. Identify and describe the distinct categories of financial cash flows and the relevance to management decision making of each category: Capital and Operational (Gross and Net). 5. Perform simple present value calculations based on gross operational cash flows and WARR. 6. Perform simple present value calculations based on net operational cash flows and WACC. 7. Analyze simple resource allocation decision problems using net present value analysis. 8. Use net present value to analyze pricing and contracting decisions under alternative payment systems. 9. Derive the distinct categories of cash flows from standard financial statements and pro forma financial statements. 10. Determine relevant cash flows for decision-making purposes by applying principles of incremental ("but for") analysis.