

FINANCE AND BUSINESS ECONOMICS AREAS OF INTEREST

The Finance and Business Economics faculty seek to examine the decision-making process and the role of markets in the allocation of both real and financial resources. Integrating the fields of finance and business economics, the faculty explore both theoretical and applied concepts in the related areas of corporate finance, investments, speculative and financial markets, real estate, insurance, banking, industrial organization and business-related public policy. Coursework emphasizes both primary theory and the application of theory in solving business problems.

Finance and Business Economics; Marshall School of Business

Hoffman Hall 231 (213) 740-6515

<http://www.marshall.usc.edu/fbe>

CORPORATE FINANCE:** A focus on corporate finance prepares students for careers in not-for-profit, government and corporate entities. This area of interest focuses on the central principles of finance: net present value, market efficiency, agency costs, incremental cash flow, information asymmetries, adverse selection, arbitrage, modern portfolio theory, capital asset pricing, assessing and managing foreign exchange risk, and sustainable growth. As an integral part of a company's management team, a qualified individual will help the firm to secure funding sources to operate and grow a business, make acquisitions, prepare financial planning and manage risk. Positions frequently sought are in the following areas: financial management in the corporate treasury function, corporate financial analysts, business analyst, corporate strategist, and turnaround specialists.

Essential Courses:

FBE 421: Financial Analysis and Valuation
FBE 431: Financial Policies and Corporate Control
FBE 441: Investments
FBE 458: Law and Finance
FBE 460: Mergers, Acquisitions and Restructuring

Courses of Interest:

FBE 324: The Financial System
FBE 416: Managerial Economics
FBE 403: Introduction to the Legal Environment of Business
ACCT 371: Introduction to Accounting Systems
ACCT 410: Foundations of Accounting
ACC 415: Intermediate Financial Accounting (Non-Majors)

FINANCIAL CONSULTING: Students interested in careers in financial consulting, provide advice to corporations and money managers. This advice may involve the strategies for creating shareholder value, business valuation, M&A advisory, and cost of capital determination. Firms involved in this growing area include Boston Consulting Group, Houlihan Lokey Howard & Zukin, Ibbotson Associates, LEK Consulting, Marakon, McKinsey & Co., and Stern Stewart & Co.

Essential Courses:

FBE 421: Financial Analysis and Valuation
FBE 436: Financial Management of Multinational Corporations
ACC 415: Intermediate Financial Accounting (Non-Majors)
ACC 416: Financial Reporting & Analysis
FBE 460: Mergers, Acquisitions and Restructuring

Courses of Interest:

FBE 429: International Business Law
FBE 431: Financial Policies and Corporate Control
FBE 432: Entrepreneurial Finance: Financial Management for Developing Firms
FBE 437: Entrepreneurial Finance
FBE 458: Law and Finance

INVESTMENTS BANKING:** A focus on investments and financial markets provides training for students interested in careers in portfolio management, securities trading, and institutional and retail securities sales (brokerage). Investment bankers help companies and governments issue and purchase securities, manage financial assets, trade securities and provide financial advice to corporations and individuals. In addition, the banks design and market new financial products. The investment banking career requires a thorough comprehension of valuation techniques and an understanding of how financial markets — both nationally and internationally — function. Investment bankers must have strong quantitative skills, are comfortable analyzing financial statements, and must have an understanding of strategy and competitive markets. Training establishes basic principles governing the performance of securities markets and is an excellent background for all careers involving either raising or investing corporate or government funds. The top investment banks include Goldman Sachs, JP Morgan and Morgan Stanley. Other investment banks are regionally oriented or situated in the middle market (e.g. Piper Jaffray). Others are small, specialized firms called boutiques.

Essential Course:

FBE 421: Financial Analysis and Valuation
FBE 458: Law and Finance
ACCT 415: Intermediate Financial Accounting
ACCT 416: Financial Reporting & Analysis
FBE 460: Mergers, Acquisitions and Restructuring

Courses of Interest:

FBE 459: Financial Derivatives
FBE 431: Financial Policies and Corporate Control
FBE 432: Corporate Financial Strategy
FBE 440: Trading and Exchanges
ACCT 417: Advanced Financial Accounting For Non-Accounting Majors

COMMERCIAL BANKING:** Commercial banks are in the business of providing banking services to individuals, small businesses and large organizations. A large bank will serve middle market and large US corporate and institutional clients with debt and equity underwriting, mergers and acquisitions, loan syndications, debt and equity sales, trading, tax-exempt products, and hedging products related to equity, commodities, and interest rate risk. In addition, a large bank may be a registered investment advisor that focuses on managing equity, fixed income and blended portfolios for a variety of institutional clients and provides comprehensive planning and advice, investment management, brokerage, private banking, estate planning strategies, trust, insurance and retirement to high net worth individuals. Positions in commercial banking tend to be as credit analyst, loan officers, branch managers, trust officers, mortgage bankers, private client services, wealth managers, and business planning.

Essential Course:

FBE 421: Financial Analysis and Valuation
FBE 458: Law and Finance
ACCT 415: Intermediate Financial Accounting
ACCT 416: Financial Reporting and Analysis
ACCT 417: Advanced Financial Accounting For Non-Accounting Majors

Courses of Interest:

FBE 431: Financial Policies and Corporate Control
FBE 432: Corporate Financial Strategy
FBE 440: Trading and Exchanges
FBE 460: Mergers, Acquisitions and Restructuring
FBE 436: Financial Management of Multinational Corporations
FBE 437: Entrepreneurial Finance
FBE 459: Financial Derivatives

HEDGE FUNDS:** This career can be very diverse in terms of skills needed. The emphasis on logic and economic principles is common. The attention to detail and emphasis on differences across assets is crucial for many funds. Many hedge funds are relatively small and follow unique investing strategies including publicly and privately traded securities. Some funds require a great deal of quantitative skills and others require few quantitative skills. The exact nature of skills needed depends on the type of hedge fund and the market opportunities; however, a brief description is included. Positions and skill sets necessary for hedge funds tend to be: analysts, portfolio managers, sales and trading (capital raising, brokerage, trading, sales), due diligence, and compliance.

Essential Course:

FBE 421: Financial Analysis and Valuation
FBE 441: Investments
FBE 459: Financial Derivatives
FBE 460: Mergers, Acquisitions and Restructuring

Courses of Interest:

FBE 416: Managerial Economics
FBE 440: Trading and Exchanges
FBE 435: Applied Finance in Fixed Income Securities
FBE 458: Law and Finance
FBE 425: Management of Financial Institutions
FBE 431: Financial Policies and Corporate Control
FBE 432: Corporate Financial Strategy
FBE 403: Introduction to the Legal Environment and Business
MATH 458: Numerical Methods (quantitative hedge funds)*
MATH 503: Stochastic Calculus for Finance*

For Quantitative Hedge Funds - Other classes involving computer programming or Computer Science: C++ programming, matlab, SAS, SPSS

**Not available for Marshall major credit.*

INVESTMENT MANAGEMENT: This category typically includes publicly traded stocks and bonds. This category is classified as the buy side of investments. Many professionals are involved in the investment process. Positions and skill sets necessary for investment management tend to be: analysts, portfolio managers, sales and trading (brokerage, trading, sales, financial planning), due diligence, and compliance.

Essential Course:

FBE 421: Financial Analysis and Valuation
FBE 441: Investments
FBE 459: Financial Derivatives

Courses of Interest:

FBE 435: Applied Finance in Fixed Income Securities
FBE 440: Trading and Exchanges
FBE 489: Real Estate Capital Market
FBE 391: Real Estate Finance and Investment
FBE 431: Financial Policies and Corporate Control
ACCT 416: Financial Reporting and Analysis
ACCT 473: Financial Statement Auditing
FBE 425: Management of Financial Institutions
FBE 416: Managerial Economics

PRIVATE EQUITY AND VENTURE CAPITAL:** These types of positions are responsible for researching and investing in private companies and some public companies. The investment process may involve companies that are relatively young or new for Venture Capital and more seasoned firms for Private Equity investors. The skills and investment process typically differ substantially from Investment Management. Positions and related skill sets are as follows: Venture Capital (analysts & portfolio managers), Private Equity (analysts, portfolio managers, sales (capital raising), and due diligence).

Essential Course:

FBE 437: Entrepreneurial Finance
FBE 421: Financial Analysis and Valuation
FBE 441: Investments
FBE 460: Mergers, Acquisitions and Restructuring

Courses of Interest:

FBE 459: Financial Derivatives
FBE 431: Financial Policies and Corporate Control
FBE 432: Corporate Financial Strategy
ACCT 416: Financial Reporting and Analysis
ACCT 462: Detecting Fraudulent Financial Reporting
ACCT 473: Financial Statement Auditing
BAEP 423: Management of a Small Business
BAEP 451: Management of a New Enterprise

CORPORATE COMPLIANCE AND RISK MANAGEMENT:

The position requires collaboration with other departments including internal audit, legal, risk management, human resources, operations and marketing. The position ensures the board of directors, management and employees are in compliance with the legal and regulatory environments in which the business operates domestically and internationally. The organization ensures that the company's standards of conduct are maintained. Monitors, and as necessary, coordinates compliance activities of other departments. The employee ensures reporting of violations or potential violations to enforcement agencies, maintains quality control, and safeguards prompt ethical conduct by the organization. Frequently sought positions available in this area are corporate compliance officer, risk manager, environmental compliance officer, human resources and corporate legal counsel positions.

Essential Courses

FBE 403: Introduction to the Legal Environment of Business
FBE 428: Principles of Employment Law
FBE 458: Law and Finance

Courses of Interest

FBE 429: International Business Law
MOR 421: Social and Ethical Issues in Business
MOR 469: Negotiation and Persuasion
MOR 471: Managing and Development People
MOR 472: Power, Politics and Influence
MOR 473: Designing and Leading Teams

ECONOMIC AND FINANCIAL ANALYSIS SUPPORT FOR LITIGATION AND REGULATORY PROCEEDINGS:

This path prepares students to work domestically and internationally within business consulting firms which support law firms, lobbyists, governmental relations consultancies, and businesses. These professionals conduct economic, financial, accounting and marketing research to support the positions taken by clients before governmental bodies, courts, and administrative panels. These research firms also assist in corporate strategic planning. These professionals are engaged in research and writing of position papers, as well as identifying and supporting experts employed in legal and regulatory proceedings. Positions of interest tend to be as financial analyst, business analyst, economic and competition analyst.

Essential Courses

FBE 421: Financial Analysis and Valuation

FBE 432: Corporate Financial Strategy

FBE 441: Investments

FBE 458: Law and Finance

FBE 460: Mergers, Acquisitions and Restructuring

Courses of Interest

ECON 350: Macroeconomics Analysis for Business Decisions

ECON 351: Economic Analysis for Business Decisions

FBE 402: Government and Business

FBE 403: Introduction to the Legal Environment of Business

ECON 317: Introduction to Statistics for Economics

ECON 357: Money, Credit, and Banking

ECON 401: Mathematical Methods in Economics

ECON 414: Introduction to Econometrics*

FBE 436: Financial Management of Multinational Corporations

BUSINESS ADMINISTRATION (REAL ESTATE FINANCE) (BS)

The Bachelor of Science in Business Administration with an emphasis in Real Estate Finance provides specialized skill sets for students wishing to work in real estate finance and development. The degree signals to potential employers that the graduate is ready to perform complex tasks involving real estate finance, economics and state-of-the-art computer modelling.

Essential Courses

FBE 391: Real Estate Finance and Investment

FBE 470: Advanced Real Estate Analysis

FBE 427: Real Estate Law

Courses of Interest

FBE 489: Real Estate Capital Markets

FBE 466: Management of Real Estate Development: Feasibility Studies

FBE 465: Real Estate Analysis and Computer Modeling

FBE 491 Real Estate Finance Colloquium

Non-Real Estate Electives:

BAEP 423 Management of Small Businesses

DSO 455 Project Management

FBE 421 Financial Analysis and Valuation

FBE 423 Introduction to Venture Capital and Private Equity

FBE 435 Applied Finance in Fixed Income Securities

FBE 437 Entrepreneurial Finance: Financial Management for Developing Firms

FBE 441 Investments

FBE 459 Financial Derivatives

MOR 469 Negotiation and Persuasion

GENERAL FINANCIAL MANAGEMENT: General financial management courses are designed for students who have not made a specific career choice but who are interested in finance. Students who complete coursework in general financial management will understand “real world” institutional details and finance principles used by corporations operating in modern financial markets. This broad preparation is ideal for students interested in sampling a variety of applications of financial analysis. How do you choose finance electives if you know you are interested in finance but you do not know what career path you want to follow? The following finance electives can help you find out what you are passionate about. In any event, the field of finance changes rapidly and it may be advisable for the student to gain a broad understanding of finance. The general financial management electives are designed for students who want to gain an exposure to a wide range of financial problems and applications.

Essential Courses:

FBE 432: Corporate Financial Strategy

FBE 441: Investments

FBE 437: Entrepreneurial Finance

FBE 440: Trading and Exchanges

FBE 460: Mergers, Acquisitions and Restructuring

FBE 459: Financial Derivatives

FBE 489: Real Estate Capital Markets

Courses of Interest:

FBE 421: Financial Analysis and Valuation

FBE 431: Financial Policies and Corporate Control

FBE 433: Compensation, Incentive, and Governance

FBE 436: Financial Management of Multinational Corporations

FBE 458: Law and Finance

FBE 464: International Finance

Please note that courses marked with an asterisk are not offered by the Marshall School and will **not satisfy the Upper Division Elective requirement for the BS in Business Administration.*

*** Videos on these career fields can be found at <http://students.marshall.usc.edu/undergrad/career-services/career-videos/>*

Real Estate Finance Emphasis Requirements

Required Course (4 units)

FBE 391 Real Estate Finance and Investment Units: 4

Electives (12 units)

A minimum of 8 units must come from the Real Estate Finance Electives list. The sum of units from Real Estate Finance Electives and Non-Real Estate Electives must total at least 12.)

Real Estate Finance Electives: 8-12 units

- FBE 427 Real Estate Law Units: 4 ***
- FBE 465 Real Estate Analysis and Computer Modeling Units: 2 ***
- FBE 466 Management of Real Estate Development: Feasibility Studies Units: 4 ***
- FBE 470 Advanced Real Estate Analysis Units: 4 ***
- FBE 489 Real Estate Capital Markets Units: 4 ***
- FBE 491 Real Estate Finance Colloquium Units: 2 ***

Non-Real Estate Electives: 0-4 units

- BAEP 423 Management of Small Businesses Units: 4
 - DSO 455 Project Management Units: 4
 - FBE 421 Financial Analysis and Valuation Units: 4 ***
 - FBE 423 Introduction to Venture Capital and Private Equity Units: 4 ***
 - FBE 435 Applied Finance in Fixed Income Securities Units: 4 ***
 - FBE 437 Entrepreneurial Finance: Financial Management for Developing Firms Units: 4 ***
 - FBE 441 Investments Units: 4 ***
 - FBE 459 Financial Derivatives Units: 4 ***
 - MOR 469 Negotiation and Persuasion Units: 4
- ***Prerequisites required. Plan carefully.