

## Warwick Business School Elective Module Descriptions

September - December 2022

Module Code	Module Title	Location
IB9LLL/IB9370	Corporate Finance	London/Warwick
IB9KNL	International Business	London
IB9T10	Strategy and Practice	Warwick
IB9AP0	Behavioural Sciences for the Manager	Warwick
IB9KML	Strategic Marketing	London
IB849L	The Psychology of Investing and Financial Decision Making	London
IB9E40	Advanced Corporate Finance	Warwick
IB97R0	Leadership and the Art of Judgment	Warwick
IB9130	Digital Innovation in the Healthcare Industry	Warwick
IB9QYL	Leading and Harnessing Diversity	London
IB9FYL	Strategic Leadership Development	London
IB9QXL	Business and Sustainability	London
IB9C30	Entrepreneurship & NVC	Warwick

### IB9LLL/IB9370 Corporate Finance

The module in Corporate Finance equips students with the economics insight, theory and practice needed to understand the financing of the modern firm, and the impact on the firm of risk and the wider economic and investor environment. The module involves lectures complemented by class discussion and class questions. These classes allow the students to fully connect with the material and practice using the techniques taught. The module includes case studies to further reinforce the learning objectives and ensure students gain a perspective relevant to their professional requirements. Finally the topic is examined by an extended essay in which the student can describe how the module material can be applied to their own professional context. The course emphasises both intuition and application and delivers both an over-view and the necessary technical skills to actually engage with the subtleties of corporate finance.

#### Topics

- Understanding Valuation
- Risk, Return, and CAPM
- Capital Structure
- Payout policies, corporate governance and corporate control.

### IB9KNL International Business

The main aim is to build on participants' knowledge of the global economic and business environment and link this to strategies for managing in changing global contexts. Key questions are: How do changes in this environment affect

the ways in which companies  
do business and managers manage across borders:

How should firms and individual managers respond (in theory)? How can they respond (in practice)?

Topics will include:

- The drivers and processes of internationalization,
- Cross-cultural management challenges, the assessment of overseas investment opportunities and the specific challenges of emerging markets.

## IB9T10 Strategy and Practice

Strategy and Practice deals with the processes and practices through which strategy is put into action at the individual, team and organizational levels. Our aim is to enhance your skill and capability as strategy practitioners.

This module is about understanding how strategy is implemented at the individual, team and organizational levels. It focuses on raising understanding of the ways processes and tools can enhance strategy implementation. Sessions provide the basic analytical concepts, frameworks and methods used in setting long term direction for the firm as well as discuss the difficulties frequently found in implementing strategy. The module helps the practitioner by providing an integrated approach to business within which one can see not only the overall strategic intent, but also the differentiated and distinct contributions that different functions and teams make towards this intent.

## IB9AP0 Behavioural Sciences for the Manager

The main objective of this module is to review current ideas on behavioural science, and show how they can be used to improve managerial thinking and decision-making in a wide range of circumstances. The module will incorporate a wide range of viewpoints from leading researchers and practitioners, who will:

- illustrate how basic principles of behavioural science and behavioural economics directly link to human behaviour
- introduce key principles that govern consumer choice, and outline how psychological principles have direct implications for marketing, advertising and communication
- help you understand the role played by chance in decision outcomes, and to recognise how we can be 'fooled by chance' and to avoid it
- learn when you when you should follow the lead of exceptional performers, and when you should follow the more cautious
- help you recognise biases in quantitative judgment, including overconfidence
- give you insights into what makes a great leader
- understand when opportunities exist in markets and learn about mistakes and biases in strategic reasoning
- enable you to understand why people and organisations often make overly optimistic forecasts, and to learn how to overcome this tendency – when eliminating the tendency is in your own interest
- give you an understanding of why it is important to understand the thinking of others and, in particular, gain an understanding of key processes involved in deception
- understand how digital traces of human activity can be used to anticipate real world events and provide awareness and understanding of collective human behaviour.

## IB9KML Strategic Marketing

The Strategic Marketing module provides you with the opportunity to apply some of the concepts from the Marketing module. The module looks at managing in markets in the long-term from a wider perspective. There may be long-term growth or decline but often the changes tend to be small and slow. Markets can undergo significant

changes in the long run with major redefinition and restructuring based upon customers (channels), consumers and competitors - but again these changes tend to be slowly evolutionary rather than rapidly revolutionary.

The module considers a range of topics related to the analysis and interpretation of patterns of customer and competitor behaviour in the evolution of markets. It considers in particular the ways in which analysis of long-term effects can be used to influence strategic choices within the firm in the broad marketing domain. It critically examines the nature of the evidence and knowledge that is available in this context and through the use of examples, case studies and simulation, aims to relate theory and practice in this area.

We should however issue a very important health warning at this stage. The pursuit of success in the competitive marketplace is inevitably fraught with problems: there are no clear answers, merely hints and possibilities; the evidence is patchy and contradictory; and, finally, solutions which seem to work in one time period often unravel in later ones.

In strategic marketing, we can either downplay this issue, present outlier performance as if it was a reasonable average, uncertainty as certainty and pretend there is a universal money machine available for the cost of a textbook or we can confront the underlying problem of limited knowledge and evidence.

This module takes the latter direction, in the belief that a critical assessment of today's panacea and schemata will equip you to make not only a much more balanced assessment of their value but also, more importantly, make an equivalent evaluation of the new tools and techniques that become available in the future.

However, some of you might find such an approach frustrating and annoying. After all, in many situations it is more important to act rather than think too much and if the actions taken have to be justified the recourse to simplifications may be just what we need to build commitment and purpose. We will try and link a concern for action with a critical perspective on evidence and argument but we hope you, as participants will not be surprised by the balance of the module.

## IB849L The Psychology of Investing and Financial Decision Making

This module is designed to provide a very practical overview of an exciting and very important new area in finance which recognises how much of investment activity and financial behaviour is also driven by personal and market psychology. In particular it explores how we make decisions and how we can improve these by recognising the underlying psychological processes at work. Behavioural and emotional finance deal with real people making real decisions and can help us improve what we do and make better financial and other decisions by understanding the biases and emotions to which all of us are prone. The module is of equal relevance to other areas of business activity, and in life more generally.

A wide range of teaching methods is employed drawing extensively on participants' own experience and real world examples and decisions; we will also be using current issues in the financial media as illustrations. Active participation is essential to get the most from the course.

Typical questions we will be addressing on the module include:

- How can we be better investors and financial decision makers?
- What are the decision biases to which we are prone?
- What role do our emotions and unconscious play?
- Why do private investors lose so much money and how can we avoid this ourselves?
- Why do fund managers find it so difficult to beat the market?
- Why are investment analysts buy and sell recommendations so fallible?
- Why are investors and CEOs so overconfident and what are the consequences?
- Why do acquisitions so often destroy value?
- Why do so many capital investment decisions go wrong?

- Narcissists and psychopaths in the boardroom?
- The underlying psychology driving market bubbles such as dot.com mania and the recent Chinese stock market bubbles and the Global Financial Crisis etc.?

## IB9E40 Advanced Corporate Finance

After completing this module, students will be able to:

- Use free cash flow, dividend discount and residual income models for equity valuation
- Value firm components using simple option sharing rules
- Discuss the determinants of a firm's cost of capital and capital structure
- Understand interest rate and currency risk, and how these can be managed by corporates
- Explore the relevance of agency theory
- Understand why traditional NPV rules are deficient and evaluate simple real options examples.

## IB97R0 Leadership and the Art of Judgment

We know from everyday experience: Judgement matters in life! It matters even more for those in positions of responsibility and authority. In this module we will explore how acts of leadership, especially 'quiet leadership' - namely, ordinary actions in response to practical challenges and dilemmas - are shaped by the judgements people make. We will inquire into what judgement is, how it is shaped and developed, and the individual as well as organizational conditions in which good judgement flourishes. We will do so by drawing on selected strands of psychology, philosophy and the humanities at large. Such a 'soft' approach may be unusual in business studies but we ignore it at our peril. The human condition is characterised by conflicting loyalties and priorities, and is plagued by meaninglessness, illusions, and a sense of 'thrownness'. To lead other human beings one needs a high degree of maturity and self-knowledge, an intuitive grasp of the human condition, and a developed sense of judgement, all of which are uniquely dealt with in great literature and philosophy. It is impossible, e.g. to read Sophocle's *Antigone* without feeling for the two protagonists, Creon and Antigone, their dilemmas and conflicting loyalties. Shakespeare's *Othello* introduces us to the psychological weaknesses that plague leaders, such as, in this case, envy and jealousy, as well as to the broader forces that alienate people from one another. We get a sophisticated appreciation of the difficulties of succession in *King Lear*, the blunting of judgement by blind ambition in *Macbeth*, or the power of persuasion in *Henry V*. Great pieces of contemporary literature, such as Miller's *Death of a Salesman*, Melville's *Billy Budd*, or Frayn's *Copenhagen* are wonderful guides to explore the complexity of the human condition and its implications for leadership. Great literature portrays people not as saints or devils but as complex beings, facing uncertainty and dilemmas in their lives, driven by an array of motives, and capable for better or worse. Contemporary movies such as *The Insider*, or TV series such as *The Office*, capture well some the complexity that pervades corporate life.

Overall, in this module, we will draw on great plays, certain philosophical writings, and strands of psychology to get insights into the complexity of human beings, their motives, choices and actions. The point of it all is not to celebrate that complexity but to understand it, in order to make better choices in organising and managing people.

The phronimos (prudent, practically wise) is one who acknowledges complexity and tries to deal creatively with it; one who takes *theoria* (contemplation) seriously precisely because one wishes to see a little bit more clearly than before and, therefore, wishes to act more wisely.

## IB9130 Digital Innovation in the Healthcare Industry

The module starts with the premise that a fundamental restructuring of the healthcare industry is underfoot, where health strategies will be radically altered to reflect the digital (big) data revolution. The imperative is to have a digital strategy rather than just a business strategy. This calls for the need to innovate, where healthcare stakeholders are looking to new technology solutions, actionable insights, cross-industry collaboration and engagement for improved health care delivery. The module will examine the challenges and opportunities involved from a number of disciplines and perspectives.

The module will enable the students to explore theories, concepts and research findings, broadening their understanding of the growth in digital innovation in healthcare whilst considering the key factors impacting on digital healthcare solutions.

The module conceptualises the digital revolution and impacts on the health care industries. In particular it reviews the role data and data science have in supporting health care and health care delivery. The module builds on some core concepts to highlight trends and developments.

The module is structured as follows:

- Understanding digital innovation in the context of health care and health industries
- Understanding the practice data and data science in health care
- Using digital innovation and data science to support health care
- Reviewing major trends and emergent innovation.

### IB9QYL Leading and Harnessing Diversity

In the workplace, we constantly interact with others who are different from ourselves in terms of backgrounds and experiences. While this can present challenges, it can also provide great opportunities in terms of achieving creative breakthroughs. Therefore learning to effectively harness diversity in organisations is a critical skill for leaders to hold. When misunderstandings occur because of these different backgrounds and experiences, they put a strain on workplace relationships and the effectiveness of the team. It can also make us question our own values. This module will help students navigate these complexities and confidently participate in and lead diverse teams. At the same time, students will gain awareness of how diversity can make the workplace more interesting, more fulfilling, and effective. The module will consist of readings, case studies, and guest speakers to bring this topic to life.

### IB9FYL Strategic Leadership Development

The Strategic Leadership Development is an innovative module that provides a unique combination of deep experiential learning combined with personal reflection, group exercises and external speakers. The module draws on leading edge leadership development research and practical application in the workplace. The module will provide students with a thought provoking view that will challenge their perception of leadership and leadership development, encouraging them to think differently. At the heart of the module is the fundamental belief that leaders are responsible not only for their own leadership but for the development of leadership in others.

To this end, the module will aim to develop the capability of students to plan, manage and reflect on their individual personal leadership and consider how this can be used to support the leadership development of others. The module will also encourage development of behavioural skills in individuals to increase the effectiveness and appropriateness of their ability to develop leadership in others. The syllabus will include: Leadership development through critical reflection; systemic approach to leadership development; Executive Coaching for leadership teams; Developing and implementing strategic leadership capacity.

This module aims to:

- Develop an understanding in individuals about key leadership development concepts
- Develop the capability in individuals to engage with leadership development practices based on relevant leadership thinking
- Develop a critical and analytical approach to leadership development thinking and practice
- Encourage programme members to discover and apply leadership development strategies, tools, practices from a variety of leadership perspectives

- Knowledge of a range of different theoretical models and leadership development concepts.

### IB9QXL Business and Sustainability

The concept of sustainability presents an often complex and ambiguous challenge for businesses operating in the 21st century: Climate change, resource depletion and environmental degradation as well social inequalities and poverty to name just a few widely affect political and strategic decision-making.

This module adopts a systemic perspective to uncover the origins behind the concept and understand the interrelationships between the multitude of social and environmental concerns. Importantly, it also introduces frameworks and practices for addressing these global issues at both societal and business levels. The aim of this module is both to equip students with the knowledge for understanding the underlying complexities in tackling sustainability challenges, and to provide them with an innovative and practical toolkit supporting their management and leadership approaches.

### IB9C30 Entrepreneurship & NVC

The module aims to develop an understanding of entrepreneurs and the firms they create and manage.

Entrepreneurship is not only about new ventures or 'small' business or 'early-stage' business, nor even exclusively about for-profit business, rather it is a method of creative problem-solving in business and a logic for taking action in a variety of settings where business can make a positive difference. The module, therefore, will explore the concept of an entrepreneurial mindset and help develop a broad understanding of what entrepreneurship is and what entrepreneurs do.

This module is ideal for students who might be thinking about entrepreneurship and would like to gain a realistic view of what life as an entrepreneur might look like. The module combines academic literature to provide the framing for the module but also includes case studies, guest speakers and reflective exercises to ensure a balance of academic and practical / applied content.

Upon completing this module, students should be able to:

- Define entrepreneurship and distinguish between the various forms that entrepreneurship can take
- Identify the features of an entrepreneurial mindset and explain the behavioural and attitudinal implications of such a mindset
- Analyse and critique elements of the entrepreneurial process and the issues within each (i.e. entrepreneurial opportunity identification, evaluation and exploitation) including the role of key actors (such as co-founders and investors)
- Relate to the real life experiences (positive and negative) of an entrepreneur and demonstrate a broad and realistic understanding of the implications of starting a business including the rewards and challenges
- Engage in critical, creative and reflective thinking.