

## **COURSE OUTLINE** **Hospitality Financial Management**

### **Course Description**

HM 260. Hospitality Financial Management. 3 hours credit. This course will enable the student to develop skills in analyzing business financial issues in the hospitality industry, prepare investment packages, and structure and negotiate business deals in relation to hospitality entities. This course will engage the student in a practical approach to making effective financial decision-making.

### **Course Relevance**

The principles learned in this course will allow the student to understand the financial status of the business. It is important for the student to analyze financial data and make accurate financial management decisions in order to positively impact a business.

### **Required Materials**

DeFranco, A., Lattin, T., (2006). *Hospitality financial management*. New York, NY: John Wiley & Sons Inc.

### **Learning Outcomes**

The intention is for the student to be able to:

1. Analyze hospitality industry management reports and financial statements
2. Prepare accurate business forecasts
3. Examine strategic pricing models and cost control systems

### **Primary Learning PACT Skills that will be DEVELOPED and/or documented in this course**

Through the student's involvement in this course, he/she will develop his/her ability in the following primary PACT skill areas:

1. Critical Thinking
  - The student will develop critical thinking and analytical skills through the appraisal of financial statements and business forecasts, and develop strategies for pricing and cost control as it relates to hospitality businesses.

Secondary skills (developed but not documented)

Leadership  
Problem Solving  
Time Management  
Listening  
Writing

## **Major Summative Assessment Task(s)**

These learning outcomes and the primary Learning PACT skills will be demonstrated by:

1. Preparation and delivery of a portfolio of assignments that demonstrates the student's ability to evaluate financial matters in a hospitality business

## **Course Content**

- I. Themes – Key recurring concepts that run throughout this course:
  - A. Financial report preparation
  - B. Financial report analysis
  - C. Financial planning and forecasting
  - D. Financial soundness
- II. Issues – Key areas of conflict that must be understood in order to achieve the intended outcome:
  - A. Correctly evaluating financial statements
  - B. Identifying financial opportunities to increase profit
  - C. Effective implementation of strategies to change financial results
- III. Concepts – Key concepts that must be understood to address the issues:
  - A. Goals and strategies of the hospitality business
  - B. Understanding the financial statements in order to evaluate the current state of business
- IV. Skills/Competencies – Actions that are essential to achieve the course outcomes:
  - A. Application of concepts in financial management
  - B. Analytical thinking of the financial situation of business

## **Learning Units**

- I. Basic finance for the entrepreneur
  - A. Definition of ownership types
  - B. Accounting principles
- II. Entrepreneurship
  - A. Definition
  - B. Overview of opportunities
- III. Capital
  - A. Debt and leverage
  - B. Equity and ownership
  - C. Raising capital
  - D. Structuring portfolio and negotiations
- IV. Financial concepts
  - A. Money
  - B. Value
  - C. Sound investment decisions
  - D. Time value of money

E. Working capital and cash control

**Learning Activities**

Learning activities will be geared toward achieving the intended course outcomes through lecture, instructor-led class discussion, textbook reading assignments, and internet assignments.

**Grade Determination**

The student will be graded on the assessment tasks, examinations, written assignments, quizzes and other methods of evaluation at the discretion of the instructor.