

**MÁSTER UNIVERSITARIO EN DIRECCIÓN FINANCIERA Y CONTABLE
DE LA EMPRESA
(Official Master's Degree in Accounting and Financial Management)**

SUBJECT

- **Name:** Advanced working capital management
- Type of subject: compulsory
- Credits: 3 ECTS
- Hours dedication: 18 hours (in classroom) 60 hours (out classroom)
- Professors: Joan Anton Ros
- Contact: jarosguasch@gmail.com

1. COURSE DESCRIPTION

The management of working capital becomes an essential tool for any company that wants to guarantee its liquidity. This requires good customer credit management involving both the commercial and financial side to avoid the unpaid credits. As well as good liquidity management, through good planning and an excellent negotiation with banks.

This course provides discussions of some of the main challenges of the management of working capital. It is divided into two sections: In the first section, the student will be familiarized with customer risk, rates and sources of information, risk classification models, rating, scoring, how to estimate the Expected Loss, levels of credit risk from IFRS9 and legal framework to protect credit rights.

In the second section, they will examine the function of Cash Management in the company, the role and responsibilities of the Treasurer, the planned treasury statements, making decisions in managing deficits and monetary surpluses and Banking relationships.

2. Goals

- Best practices in credit Management and Cash Management
- Review of the most recent research in cash management and credit Management
- Implementation and monitoring of credit policy. Methods for risk reduction and collateral guarantees.
- Risk management:
 - Customer risk, rates and sources of information
 - Risk classification models, rating, scoring.
 - Risk analysis
- Assertive and empathetic management for the recovery of the unpaid
- Know how to implement a Cash forecast and dealing with bank overdrafts or bank surplus: Credit & risk management, investing products.
- Dealing with financial entities: selection and negotiation
- Calculation of working capital needs and real working capital and its relationship with working capital management.

3. Specific Abilities

CE1. Taking decisions aimed at achieving the company's overall accounting and financial objectives through the application of practical and advanced analysis techniques adapted to the business sector in which it operates.

CE2. Applying expert knowledge to finances and accounting through actual cases, role-play and real practices.

CE4 Ensuring the company's overall accounting and financial objectives are achieved through negotiation and balancing of the individual goals of each of the areas involved in the accounting and finance field.

CE5 Carrying out projects in the accounting and finance field in order to have a set of scenarios to make the best decisions

CE6. Applying specific analytical techniques from the field of finances and accounting with the aim of taking the most appropriate decisions, taking into account the economic context and the company's expectations.

CE7 Designing the ideal accounting and financial framework for the company, taking account of its strategic objectives.

4. Methodology

The methodology used in the subject is essentially participatory and is fundamentally based on the discussion of practical cases, explanations based on real-world business experience and case presentations, reading and exercises by the participants. The subject materials must be worked on at home. This will allow sessions to focus on aspects previously discussed and ensure they are essentially practical. Moreover, presentations of cases, exercises and reading materials will be common. The groups/participants that are not presenting will have to submit a written assignment on the completion of their exercise to the professor or hand it in in the subject's global classroom.

5. Evaluation

- 30 % Exam
- 20 % Case studies,
- 40% Final project,
- 10% oral presentations, attendance, etc

6. Total course

Students need to obtain a minimum of 5 in the final exam to pass the course. This condition applies to both the regular exam and the retake exam. The final course grade of students that do not obtain **a minimum of 5 in the exam** will have a retake exam opportunity that will be programmed in accordance with the academic calendar. If a student has to retake the exam, his **maximal grade for the course will be a 5**.

Students are required to **attend 80% of classes**. Failing to do so without justified reason will imply a Zero grade in the participation/attendance evaluation item and may lead to suspension from the program.

Plagiarism is to use another's work and to present it as one's own without acknowledging the sources in the correct way. All essays, reports or projects handed in by a student must be original work completed by the student. By enrolling at any UPF BSM Master of Science and signing the "Honor Code," students acknowledge that they understand the schools' policy on plagiarism and certify that all course assignments will be their own work, except where indicated by correct referencing. Failing to do so may result in automatic expulsion from the program."

7. Contents

1. Part 1: Working capital and Credit Management

- Introduction.
- Operational needs of funds (NOF) and optimal use of spontaneous sources
- Define a credit policy (expansive or restrictive) according to the different phases of the market and the product.
- Customer risk, rates and sources of information
- Risk analysis and customer credit limit. Warning signs.
- Risk classification models, rating, scoring, the data warehouse and data mining
- Implementation and monitoring of credit policy. Methods for risk reduction and collateral guarantees.
- The estimate of the expected Loss. IFRS9 (interpretation of the three levels of credit risk).
- Assertive and empathetic management for the recovery of the unpaid
- Criteria for optimal refinancing with banking
- Legal framework to protect credit rights

2. Part 2: Cash Management.

- The concept of Cash Management in the company. The role and responsibilities of the Treasurer.
- How to decide the most appropriate tools to manage collections and payments
- The planned treasury statements. Managing deficits and surpluses
- Banking relationships. Bank account analysis. Main types of fees.

8. Reading Materials/ Bibliography/Resources

- JAMES S. SAGNER. Essentials of Working Capital Management. John Wiley & Sons, Inc. (2011)
- R.K. GUPTA AND HIMANSHU GUPTA . Working Capital Management and Finance: A Handbook for Bankers and Finance Managers. Notion Press; 1st edition (May 26, 2015).
- LORENZO PREVE, VIRGINIA SARRIA-ALLENDE. Working Capital Management. Oxford University Press (2010)

9. Bio of Professor

Senior Core Faculty at UPF Barcelona School of Management, in different programs.

- Doctor in Psychology, with Economics and Business Studies in UAB and University of Barcelona
Diploma of Financial Management by EADA Business School.
Diploma in Audit from the Higher School of Savings Banks.
Master in Social Psychology (RRHH) by the UAB
Graduate in Social Psychology by the UAB
Real Estate Agent by Ministry of Housing
- Specialist in the banking sector, in the areas of Risk, Solvency, Audit and Controlling

Also, I have working as:

- Person in charge of the Management Control – Controller at CatalunyaCaixa
- Responsible in the area of Credit Risks at Caixa Catalunya
- Senior Auditor at Caixa Catalunya
- Manager of Bank Branch at CatalunyaCaixa
- Collaborations no lecturer in University Autònoma Barcelona, University of Girona, EADA Business School, ASSET, Centrum Peru

More details in: <https://es.linkedin.com/in/joanantonros>