

DEALMAKING IN FINANCE

IE University

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Academic year: 23-24

Degree course: THIRD

Semester: 2º

Category: OPTIONAL

Number of credits: 3.0

Language: English

PREREQUISITES

No Mandatory Pre-requisites exists.

Having said this, students are expected to have a basic background in Corporate Finance and mathematics.

SUBJECT DESCRIPTION

This is a disruptive course that will grow you as a business and finance leader. A practical program tailored for business leaders interested in mastering M&A and more broadly, for business leaders willing to act, decide, behave and communicate as a CEO.

OBJECTIVES AND SKILLS

Executing and implementing an M&A transaction is as important to the life of a company as bearing and raising a child is to a family's life. This course presents an opportunity to experience business leadership through M&A, thinking, acting, behaving, and influencing as if you were the CEO. The course will be attractive to a variety of students. Even for those oriented to finance, sales, operations, IT, marketing, HHRR, consulting or entrepreneurship, mastering M&A, from analysis to implementation, will help you learn how the CEO makes decisions and allocates resources to maximize value creation for Shareholders.

It is not enough to study Business; you need to experience it. Only then can you gain the tools and insights to drive lasting transformation. This course is for ambitious leaders who want to jumpstart their career and take on the challenges of the real business world.

This course provides you the opportunity to learn & work with a business leader from his real experience working and advising listed and non-listed companies in US, Europe, and Spain, across different industries.

- Understand the most to be respected principle not only in Finance, but in Business:
Shareholder value maximization.
- Understand how Shareholder value is maximized.

- Identify the most preferred potential M&A transactions for your Shareholder.
- Understand, out of the available M&A's, the most optimal for your Shareholder.
- Potential strategies towards growth: Organic vs. inorganic growth.
- Understand the M&A process: steps involved, timing, and complexity.
- Understand aspects of the M&A: representations and warranties, W&I insurance, purchase price adjustments, etc.
- How to negotiate with buyer or seller.
- Understand the role of buyer or seller: financial sponsor vs industrial.
- The role of external advisors.
- Understand different risks. Risk management.
- Understand the M&A local & international tax implications for buyer or seller.
- Understand the M&A different accounting implications for buyer or seller. Even three different accounting ledgers for a single legal entity: Local GAAP, IFRS, Management books.
- Design the most optimal capital structure.
- Dividend policy and capital structure.
- Design the most optimal debt structure.
- Understand different debt financing structures.
- Financing decisions and market efficiency.
- Transnational acquisitions vs local acquisitions.
- Foreign exchange implications in transnational acquisitions.
- Practical problems in capital budgeting.
- How to design, implement, and track Business Restructuring, Turnaround and organization renewal after acquisition.
- How to accelerate growth after acquisition.
- Leadership. You cannot do it alone: Understand the key principles for organizational talent development, team building, growth & full alignment.
- Next steps after acquisition: Business plan implementation.
- How to approach the different stakeholders involved in an acquisition: customers, suppliers, employees, advisors, regulators, and authorities.
- Real experience cases working for listed and private multinational companies in US and Europe.

METHODOLOGY

Class Participation will be key for your personal growth. All students are expected to be aware of relevant M&A processes. At the beginning of some Sessions, the instructor will ask a random student to briefly summarize and analyze an M&A transaction, whether past, ongoing, or simply a combination of two entities that may have M&A potential. The answers by students will be taken into account as part of the Class Participation Evaluation. Class participation will weight 30% of the Final Grade.

Additionally, a work assignment will be required to be performed by workgroups. It will weight 30% of the Final Grade.

Teaching methodology	Weighting	Estimated time a student should dedicate to prepare for and participate in
Lectures	20.0 %	15 hours

Discussions	20.0 %	15 hours
Exercises	20.0 %	15 hours
Group work	20.0 %	15 hours
Other individual studying	20.0 %	15 hours
TOTAL	100.0 %	75 hours

PROGRAM

SESSION 1 (LIVE IN-PERSON)

MERGERS

The scale and pace of merger activity in the United States have been remarkable. M&A has proven itself very resilient even in challenging times. During periods of intense merger activity, management spends significant amounts of time either searching firms to acquire or worrying about whether some other firm will acquire them.

A merger adds value only if the two companies are worth more together than apart. Mergers are like marriage ($1+1>2$). This chapter covers why two companies could be worth more together and how to get the merger deal done if they are. Many marriages between companies are amicable, but sometimes one party is dragged unwillingly to the altar. So we also look at hostile takeovers.

Mergers are partly about economies from combining two firms, but they are also about who gets to run the company. Pick a merger, and you'll almost always find that one firm is the protagonist and the other is the target. The top management of the target firm usually departs after the merger. Financial economists now view mergers as part of a broader market for corporate control. The activity in this market goes far beyond ordinary mergers. It includes leveraged buyouts (LBOs), spinoffs, and divestitures, as well as nationalizations and privatizations where the government acquires or sells a business.

Sensible motives for Mergers:

- Economies of scale.
- Economies of vertical integration.
- Complementary resources.
- Surplus funds.
- Eliminating inefficiencies.
- Industry Consolidation.

Some dubious reasons for Mergers:

- Diversification.
- Increasing earnings per share: The bootstrap game.
- Lower financing costs.

Estimating merger gains and costs:

- Right and wrong ways to estimate the benefits of mergers.
- More on estimating costs – What if the target's stock price anticipates the merger?
- Estimating cost when the merger is financed by stock.
- Asymmetric information.

Illustrative example

Session summary: What have we learnt?

SESSION 2 (LIVE IN-PERSON)

MERGERS

Buying a company is a much more complicated affair than buying a piece of machinery. Thus, we should look at some of the problems encountered in arranging mergers. In practice, these arrangements are often extremely complex, and specialists must be consulted. I am not trying to replace those specialists; I simply want to alert you to the kinds of legal, tax, and accounting issues that they deal with.

The shareholders are the owners of the firm. But most shareholders do not feel like the boss, and with good reason. Try buying one share of IBM stock and marching into the boardroom for a chat with your employee, the CEO. (However, if you own 50 million IBM shares, the CEO will travel to see you.)

The mechanics of a merger:

- Mergers, Antitrust Law, and Popular Opposition.
- The form of Acquisition.
- Legal considerations: Reps and Warranties, W&I Insurance, Purchase Price Adjustments, etc.
- Deferred payment options: Earn outs.
- Merger Accounting.

Proxy Fights, Takeovers, and the Market for Corporate Control:

- Proxy Contests.
- Takeovers.
- Takeover Defenses.
- Who gains most in mergers?
- Merger Arbitrage

Mergers and the economy:

- Merger waves and merger profitability.
- Merger announcements and the Stock Price.
- Merger Profitability.
- Do Mergers generate Net Benefits?
- Illustrative example.

Session summary: What have we learnt?

SESSION 3 (LIVE IN-PERSON)

CONTROL, GOVERNANCE AND FINANCIAL ARCHITECTURE

In the previous sessions, we described how mergers and acquisitions change a company's ownership and management team and often force major shifts in corporate strategy. But this is not the only way that company structure can be altered.

In this session, we look at a variety of other mechanisms for changing ownership and control, including leveraged buyouts (LBOs), spin-offs, and carve-outs. This section offers a general review of LBOs and leveraged restructurings. The main point of these transactions is not just to change control, although existing management is often booted out, but also to change incentives for managers and improve financial performance. RJR Nabisco was an early example of a private-equity deal.

We will take a closer look at how private-equity investment funds are structured and how the private-equity business has developed since the 1980s. Private-equity funds usually end up holding a portfolio of companies in different industries.

In this respect, they resemble the conglomerates that dominated takeover activity in the 1960s. These conglomerates are mostly gone— it seems that private equity is a superior financial technology for doing the tasks that conglomerates used to do. Our review of conglomerates' weaknesses helps us to understand the strengths of private equity.

There are other ways that companies may change their structure. These include spinoffs, asset sales, and privatizations. Some companies choose to restructure, but others have it thrust upon them. None more so than those that fall on hard times and can no longer service their debts.

The Private Equity market:

- Private-Equity Partnerships.
- Private-Equity Funds: Today's Conglomerates?

Fusion and Fission in Corporate Finance:

- Spin-offs
- Carve-outs
- Asset Sales.
- Privatization and Nationalization.
- Secondary Acquisitions by Private-Equity firms.

Session summary: What have we learnt?

SESSION 4 (LIVE IN-PERSON)

VALUATION AND M&A OF REAL ASSETS

Real Estate (including buying a home) is the single most important investment for most individuals and entities. McKinsey estimates that two thirds of global net worth is stored in Real Estate. Individual investors favor Real Estate investments, because it is an asset class that: (i) is directly useful: you can live in a house, (ii) can be leased to third parties, and (iii) is easily financeable. Institutional investors seek an allocation in Real Assets because they find it defensive and tangible relative to other investments.

This session will analyze the similarities and differences of the valuation and M&A of Real Assets vs. other 'mainstream' assets. In particular, we will describe how to value Infrastructure (i.e.: toll roads, airport concessions) and Real Estate Assets (i.e.: office buildings, logistic warehouses).

We will analyze the singularities of the Valuation for Real Assets as well as Acquisition Structure (Asset Acquisition vs. Share Deal), risk-return profile for different strategies (Core, Core Plus, Value Add, Opportunistic, etc.), DD specifications (more focused on technical aspects, obsolescence, etc.), financing, and asset management.

Additionally, we will analyze the special structures available for Real Assets, such as special vehicles for owning Real Assets (i.e.: REITs, or SOCIMI structures), as well as the different ways to own Real Assets (Asset acquisition vs. Share acquisition), and its multiple implications, including Tax.

Valuation and M&A of Real Assets:

- Valuation of Real Estate Assets.
- Valuation of Infrastructure Assets.
- Risk-return profiles.
- DD specifications.
- Potential acquisition structure: Asset vs. Share deal.
- Special schemes for listed entities: REIT.
- Tax implications.
- Illustrative example.

SESSION 5 (LIVE IN-PERSON)

SHAREHOLDER VALUE

Managers increase value whenever the corporation earns a higher return than shareholders can earn for themselves. The shareholders' investment opportunities outside the corporation set the standard for investments inside the corporation. Financial managers, therefore, refer to the opportunity cost of the capital contributed by shareholders.

Managers are, of course, human beings with their own interests and circumstances; they are not always the perfect servants of shareholders. Therefore, corporations must combine governance rules and procedures with appropriate incentives to make sure that all managers and employees—not just the financial managers—pull together to increase value.

Good governance and appropriate incentives also help block out temptations to increase stock price by illegal or unethical means. Thoughtful shareholders do not want the maximum possible stock price. They want the maximum honest stock price.

This session introduces five points to be kept in mind: (i) Corporate finance is all about maximizing value, (ii) The opportunity cost of capital sets the standard for investment decisions, (iii) A safe dollar is worth more than a risky dollar, (iv) Smart investment decisions create more value than smart financing decisions, and (v) Good governance matters.

- How do we define Value?
- How do we measure Value?
- How do we, as business leaders, create Value?
- How do we make the most efficient business decisions?
- What is goodwill?
- Goodwill may be positive? Goodwill may be Negative? Both? What does it mean?
- Illustrative example.

Session summary: What have we learnt?

SESSION 6 (LIVE IN-PERSON)

DIVIDEND POLICY AND CAPITAL STRUCTURE

Payout policy resolves two questions. First, how much cash should the corporation pay out to its shareholders? Second, should the cash be distributed by paying cash dividends or by repurchasing shares? We will cover these questions in reverse order, “how” before “how much.”

Suppose a corporation has surplus cash. Should it distribute that cash by paying a dividend, or should it do so by repurchasing shares? In an ideal, frictionless world, the choice between dividend and repurchase does not matter. In practice, the choice can be important.

First, investors expect a firm that has made regular dividend payments to continue doing so and to increase those payments steadily as earnings increase. Dividends are rarely cut back unless the firm suffers significant, continuing losses, and managers don't increase dividends unless they are confident that the dividend can be maintained. Announcement of a dividend increase is therefore good news for shareholders, who infer that managers are confident about the future. Repurchases, on the other hand, are more flexible and do not convey as much information to investors.

Second, repurchases are tax-advantaged. When shareholders sell, they pay tax at capital gains rates, which have generally been lower than tax rates on dividends.

Repurchases have grown dramatically over the last 30 years, and in the United States, they now rival dividends in importance. Of course, cash dividends are still paid. Large, mature firms distribute huge amounts as dividends. But most of these firms also repurchase shares. Many other firms use repurchases exclusively.

Next, we consider “how much.” How does a financial manager conclude that cash is really surplus? Before deciding to pay dividends or repurchase shares, the manager asks a series of questions. First, is the business generating positive free cash flow after making all investments with positive NPVs? Is that positive free cash flow likely to continue? Second, is the firm’s debt ratio prudent? If the ratio is too high, paying down debt usually takes priority. Third, are the company’s holdings of cash a sufficient cushion for unexpected setbacks and a sufficient war chest for unexpected opportunities? If the answer to all three questions is yes, then the cash is truly surplus. If a corporation has surplus cash, it’s best to pay the cash back to shareholders. Paying out surplus cash reassures shareholders that the cash will not be wasted on questionable investments or consumed by perks or excessive compensation.

We begin this session with a review of how dividends are paid and repurchases carried out. We also consider the information content of dividends and repurchases. That is, we consider what investors can learn from managers’ payout decisions and how stock prices react to payout announcements. Then we examine the pros and cons of cash dividends versus repurchases. Finally, we discuss how corporations should manage total payout— that is, the sum of dividends and repurchases.

- Payout policy.
- Dividends vs. Share buy backs.
- Does debt policy matter?
- How much should a corporation borrow?
- Financing and valuation.

SESSION 7 (LIVE IN-PERSON)

DEAL MAKING IN FINANCE: MOTIVATIONS, PROCESS STRATEGY, PHASES AND KEY DOCUMENTS

- Main figures of the merger and acquisitions market in Spain and abroad. M&A Market Outlook
- The M&A process:
 - General considerations to take into account in M&A processes
 - Motivations when carrying out an M&A deal
- Possible typologies of deals in the short and medium term: purchase, sale, merger, joint venture
- Design of the most suitable strategy to follow:
 - Why? Motivations, market situation
 - How? Company size, objectives, etc.
 - Value vs. Price
 - Process development
- Phases of an M&A process
 - Origination and preparation of the deal
 - Selection of potential candidates: elaboration of the long list
 - Contact with candidates: process letter and short list
 - Information to short list candidates: signature of NDAs and presentation of the Information Memorandum
 - Review process and Due diligence: presentation of binding offers and closing of the preliminary agreement
 - Closing of the agreement: elaboration of the SPA
- The importance of the Business Plan

- Post integration: technology and innovation, human resources, management alignment schemes, etc.
- Illustrative example.
- Session summary: What have we learnt?

SESSION 8 (LIVE IN-PERSON)

INVESTMENT ANALYSIS AND VALUATION

- Uses and professionalization of valuation
- Different concepts of value
- Most used methods for the valuation of companies: the selection of valuation methods
 - Cash flow discount
 - Valuation by comparable companies
 - Precedent transactions
- Valuation of investments in a Private Equity
 - Methodology
- Key elements to be considered in an investment by a Private Equity
 - Exit analysis
 - Knowledge of the business and levers of value growth
 - Investment risks
 - Deal structuring and its impact on the price
 - Deal context: type of process and presence of trade buyer
- Analysis and interpretation of financial ratios and metrics
 - Profitability metrics
 - Efficiency metrics
 - Main metrics used in public markets
- Illustrative example.
- Session summary: What have we learnt?

SESSION 9 (LIVE IN-PERSON)

PRIVATE EQUITY

View of the current private equity environment

- Private capital investors:
 - Origins of the sector
 - Investors: who are the final investors
 - Business model of managers and funds
- Structure and typology of investments: what is the role of private capital according to the type of investment? How is the relationship between the private company equity and the portfolio companies?
 - Seed Capital and Start-up
 - Expansion
 - Substitution
 - Leveraged Buy-Outs (LBO/MBO/MBI/SBO)

- Other operators in the market: niche they cover and how do they work. crowdfunding platforms; direct lending and debt funds. A different private equity for entrepreneurs: search funds
- What makes private equity different? The origination, the purchase process and asset management
- Illustrative example.
- Session summary: What have we learnt?

SESSION 10 (LIVE IN-PERSON)

FUNDRAISING: ELEMENTS OF THE FUNDRAISING PROCESS AND CONDITIONS OF THE PRIVATE EQUITY FUNDS. CO-INVESTMENT OPPORTUNITIES

- Fundraising scenario
- Types of investors
- Key elements to assess when investing in a private equity fund
- Placement agents
- Fundraising process
- Fund selection criteria
- Investor selection criteria
- Conditions of private equity funds
 - Management Fees
 - Carried interest
 - Other conditions
- Co-investment opportunities
 - GPs objectives
 - LPs objectives
- Illustrative example.
- Session summary: What have we learnt?

SESSION 11 (LIVE IN-PERSON)

DEBT FINANCING

When a government borrows money, you can usually be confident that the debt will be repaid in full and on time. This is not true of corporate borrowing. In 2009, following the financial crisis, companies defaulted on a record \$330 billion of debt. Bondholders are aware of the danger that they will not get their money back and so demand a higher yield.

We begin by looking at how yields vary with the likelihood of default. Then, we look more carefully at the company's decision to default. We show that default is an option; if the going becomes too tough, the company has the option to stop payments on its bonds and hand over the business to the debtholders. We know what determines the value of options; therefore, we know the basic variables that must enter into the valuation of corporate bonds.

Our next step is to look at bond ratings and some of the techniques that are used by banks and bond investors to estimate the probability that the borrower will not be able to repay its debts. We will look at statistical models that seek to identify common features of defaulting companies. And we will look at structural models that estimate the probability that a firm's value will fall to the point at which it will choose to default.

- Credit risk and the value of corporate debt.
- The many different kinds of debt.
- Leasing.

- Illustrative example.
- Session summary: What have we learnt?

SESSION 12 (LIVE IN-PERSON)

INVESTMENT STRATEGY: NEGOTIATION AND STRUCTURING OF A DEAL

- Critical aspects to consider in an investment of private equity
 - Legal-tax structuring
 - Regulatory authorizations
 - Financing of the acquisition
 - Agreements with the management team
- Legal due diligence
 - Commercial, fiscal, labor, and administrative / regulatory
 - Due diligence report
- Purchase agreement
 - “Locked box” vs. Price adjustment
 - Signature and closing: conditions and transitory period
 - Seller Representations and Warranties
 - Seller liability regime
- Illustrative example
- Session summary: What have we learnt?

SESSION 13 (LIVE IN-PERSON)

VALUE CREATION AND DIVESTMENT MANAGEMENT

Relationships with portfolio companies

- Selection of the members of the management team
- Incentive programs for the management team
- Control and governance of the portfolio company
- Fund relationship with the management team
- Monitoring and control of business evolution

Value creation in portfolio companies

- Common characteristics of Private Equity portfolio companies
- The impact of the COVID 19 Pandemic on the portfolio companies
- The dilemma of liquidity and financial structure
- The value creation: strategy, operations, and financing
- Possible strategies in a very competitive environment

Divestment Management

- Exit: when and how to divest?
- Importance of competitive processes
- Auction process: advantages and disadvantages
- Possible divestment strategies:
 - » Sale of the stake to the management team
 - » Secondary Buy Out

»IPO

»Sale to a trade buyer

Vendor Due Diligence

- Approach
- Added value in a sales process
- Contractual aspects

Session summary: What have we learnt?

SESSION 14 (LIVE IN-PERSON)

BUSINESS PLAN IMPLEMENTATION

We move from business plan definition to business plan execution.

- Following the business plan as scheduled, will it work?
- Main problems during business plan implementation.
- What must be done?
- How to accelerate growth after acquisition?
- Leadership. You cannot do it alone: Understand the key principles for organizational talent development, team building, growth & full alignment.
- Illustrative example.
- Session summary: What have we learnt?

SESSION 15 (LIVE IN-PERSON)

FINAL EXAM

BIBLIOGRAPHY

Recommended

- Richard Brealey, Stewart Myers, and Franklin Allen. *Principles of Corporate Finance*. McGraw-Hill. ISBN 0077151569 (Digital)

EVALUATION CRITERIA

The following criteria will be taken into account to determine the grades:

Criteria	Percentage	Comments
Final Exam	50 %	
Class Participation	10 %	
Workgroups	20 %	
Final Exam	20 %	

GENERAL OBSERVATIONS:

Each student has four attempts over two consecutive academic years to pass this course.

For every BIE Program mandatory class, students are required to obtain the minimum grade of 5 required to pass the course. Students whose grade in the Final Exam (or the largest assignment) is below 5 will fail the course. The rule applies to whichever assignment carries the greatest weight to the final grade. Dates and location of the final exam will be posted in advance and will not be changed.

Students must attend at least 70% of the sessions. Students who do not comply with the 70% attendance rule will receive a 0.0 on their first and second attempts and go directly to the third one (they will need to enroll in this course again the following academic year).

Students who are in the third or fourth attempt must contact the professor during the first two weeks of the course.

ATTENDANCE:

In-person attendance is mandatory at IE University, as it is an essential factor of IE's learning methodology. While we do closely monitor attendance in each course, we also consider our students responsible for their own agenda and commitments, as adult university students. With that in mind, each student may miss up to 30% of the sessions within a given course and still maintain the possibility of passing that given course. This 30% "buffer" is to be used for any absences, such as: illnesses, personal emergencies, commitments, official/governmental matters, business and/or medical appointments, family situations, etc. Students should manage their various needs, and situations that may arise, within that 30% buffer. If a student is absent to more than the allowed 30% of the sessions (regardless of the reason), s/he will obtain a 0.0 grade for that course in both the ordinary and extraordinary calls of the current academic year, and s/he will have to retake the course during the following academic year.

Please pay close attention to your attendance. The program strongly encourages attending 100% of the sessions as it will improve your learning outcomes, it will increase the class performance and it will benefit your participation grade. Noncompliance with deadlines for Non-Classroom Learning activities or assignments will result in an absence for the session.

Extreme cases involving emergencies such as; extended hospitalizations, accidents, serious illnesses and other cases of force majeure; are to be consulted with the Program Management (bir.biemadrid@ie.edu) for assessment of the situation and corresponding documentation, in order to support and guide each student optimally.

For more information about the university attendance policy, please check; <https://www.ie.edu/student-guide/bir/policies-and-guidelines/attendance/>

THIRD CALL RETAKE POLICY

Any student in their third call of a course, also known as a "Retaker", is obliged to observe the following rules:

- Third call students must contact their professors before or during the first session to ask which work and or *sessions will be required to obtain a passing grade. The professor will determine which work will be required in their course.
*(e.g. when presenting group work, sitting for examinations or other work done in class)
- Retakers are exempt from failing the call due to absences; however, they are not exempt from work the professor designates as necessary to obtain a passing grade. This means some sessions may be mandatory to attend in order to complete the work within.
- Students in their third call are responsible for managing the conflicts in their schedule, should students need advice on how to manage their conflicts they should visit the program office.

EXTRAORDINARY EXAMINATION POLICY:

Any student whose weighted final grade is below 5 will be required to sit for the retake exam to pass the course (except those not complying with the attendance rules, whom are banned from this possibility).

Grading for retakes will be subject to the following rules:

- The retakes will consist of a comprehensive exam or equivalent assignment. The grade will depend only on the performance on this exam; continuous evaluation over the semester will not be taken into account.
- Dates and location of the retakes will be posted in advance and will not be changed.
- The exam/assignment will be designed bearing in mind that the passing grade is 5 and the

maximum grade that can be attained is 8 out of 10.

PLAGIARISM / ACADEMIC HONESTY:

Plagiarism is the dishonest act of presenting another person's ideas, texts or words as your own. This includes in order of seriousness of the offense:

- providing faulty sources;
- copy-pasting material from your own past assignments (self-plagiarism) without the instructor's permission;
- copy-pasting material from external sources even while citing them;
- using verbatim translations from sources in other languages without citing them;
- copy-pasting material from external sources without citing them;
- and buying or commissioning essays from other parties.

IEU students must contact the professor if they don't know whether the use of a document constitutes plagiarism. For help with your academic writing, contact the Writing Center (writingcenter@faculty.ie.edu). The professor will also advise the student on how to present said material. All written assignments must be submitted through Turn-it-in, which produces a similarity report and detects cases of plagiarism. Professors are required to check each student's academic work in order to guarantee its originality. If the originality of the academic work is not clear, the professor will contact the student in order to clarify any doubts. Students using external tutorial support should report it to the professor and the BIR Program from the moment they began receiving this support. In the event that the meeting with the student fails to clarify the originality of the academic work, the professor will inform the Director of the Bachelor Program about the case, who will then decide whether to bring the case forward to the BIR Academic Review Panel. Very high similarity scores will be automatically flagged and forwarded to the Academic Review Panel. Plagiarism constitutes a very serious offense and may carry penalties ranging from getting a zero for the assignment to expulsion from the university depending on the severity of the case and the number of times the student has committed plagiarism in the past.

PROFESSOR BIO

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ENRIQUE IGLESIAS DE USSEL ALEMÁN

Enrique is a Principal at Corpfin Capital. He has more than eight years of experience in the Private Equity industry. He began his career in 2011 in the Investment Banking division of J.P. Morgan in London till 2014 when he joined Corpfin Capital as an Associate. He has participated in numerous buy-out transactions in the health, industrial, automotive, food and consumer sectors.

He holds a double degree in Law and Business Administration from ICADE (E-3), Madrid.

Professor: **JAVIER IGLESIAS DE USSEL ALEMÁN**

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JAVIER IGLESIAS DE USSEL ALEMÁN

Javier Iglesias de Ussel has a degree in Business Administration and Law from ICADE University, in Madrid. More recently, he studied an MBA at MIT Sloan School of Management with a full merit-based scholarship from Fundación Ramón Areces.

During his first five years of his professional career, he worked in the Mergers and Acquisitions team at UBS in London and Madrid, advising companies on major corporate transactions. Later, during his time in the United States, he joined IFC, the investment arm of the World Bank, at its Washington DC headquarters. He also worked as Financial Planning Director of OHL Concesiones, an Infrastructure operator, till its disposal to IFM Investor.

Javier currently works in Madrid as Investment Director of Kefren Capital Real Estate, the real estate investment arm of a family office, with a focus in logistics and offices.

OTHER INFORMATION

ADDITIONAL MATERIALS

RECOMMENDED BLOGS AND REGULAR READINGS

These readings are not a requirement to pass the exam. However, it is recommended for those students willing to deep dive in the course, and to gain a broad understanding of M&A in the current environment.

With Global Perspective:

Valuation, Markets and M&A

- Musing on Markets. Thoughts on Valuation and Corporate Finance by Aswath Damodaran. Insightful analysis on live deals (Equity) and opportunities published around twice per month. You can subscribe (free). [Link](#)
- Memos by Howard Marks. Thoughts on Market (Equity and Credit) by Howard Marks, Oaktree founder. You can subscribe (free). [Link](#)

Tech and Venture Capital

- Benedict Evans Newsletter. Summary of News in Tech and Venture Capital, with context and analysis, by Benedict Evans, a brilliant industry insider. You can subscribe (free version available). [Link](#)

Real Estate

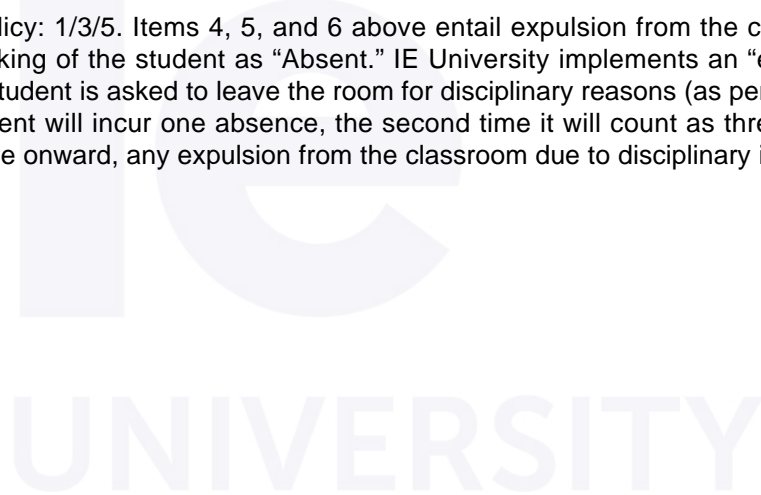
- Research departments by relevant industry participants will provide detail on market trends, both in the investment and leasing market, with breakdown by asset classes (Office, Logistics, Shopping Centers, etc.). See CBRE, JLL, Savills, etc.

With Spain Based Perspective:

- Capital Corporate. Magazine focused on M&A and Corporate Finance. It is published quarterly, with detailed analysis, and interviews with market participants. You may access it for free in its [website](#)
- M&A Newsletter. Weekly newsletter that summarizes M&A activity across different sectors, and discloses M&A Hiring Opportunities. You may access it for free in this [link](#)
- Revista Española de Capital Riesgo. Magazine focused on Private Equity. It is published on a quarterly basis. Additionally, a detailed Yearbook is also published. You may access it for free in this [link](#)

CODE OF CONDUCT IN CLASS

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2. If applicable, bring your name card and strictly follow the seating chart. It helps faculty members and fellow students learn your names.
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MACRO FINANCE ASSET ALLOCATION

IE University

Professor: **FRANCESC MARTINEZ BAILAC**

E-mail: fmartinezb@faculty.ie.edu

Academic year: 23-24

Degree course: THIRD

Semester: 2^o

Category: OPTIONAL

Number of credits: 3.0

Language: English

PREREQUISITES

SUBJECT DESCRIPTION

Macrofinancial asset allocation

The focus on innovation and entrepreneurship are at the core of the program.

The subject will allow you to get very close to the most relevant macro financial trends that are present in asset allocation planning, today and in the future.

OBJECTIVES AND SKILLS

The objective of the subject is to deal with highly relevant aspects that force students to carry out holistic approaches. The approach to the subject will be multidisciplinary. Going deeper into the topics will require working on different concepts at the same time.

METHODOLOGY

The student will receive a pre-class presentation.

It is very convenient to read it before class. The objective is to follow the subject in a more appropriate way and to be able to prepare the questions and participate in class.

The rest of the activities related to individual work, group work, group presentations and exams will be explained during the classes.

Teaching methodology	Weighting	Estimated time a student should dedicate to prepare for and participate in
Lectures	0.0 %	0 hours
Discussions	0.0 %	0 hours
Exercises	0.0 %	0 hours
Group work	0.0 %	0 hours
Other individual studying	0.0 %	0 hours
TOTAL	0.0 %	75 hours

PROGRAM

SESSION 1 (LIVE IN-PERSON)

Search funds

The search fund community continues to evolve, with attractive financial returns and record numbers of new searchers and deals.

- Entrepreneurs. The “Jockey”.
- What is a Search Fund?
- The Search fund Lifecycle.

After the session, the student will have to present an individual work. The delivery time will be 15 days.

SESSION 2 (LIVE IN-PERSON)

Private equity investments

An understanding of private markets, private equity, asset allocation, and the necessary skills to take advantage of new opportunities in investment management.

- Alternative Essentials.
- Asset allocation and Private equity.

SESSION 3 (LIVE IN-PERSON)

Where Have All the Public Companies Gone?

We are dealing with one of the fundamental changes that are emerging in the markets. We will use the following article as a reference.

<https://www.mk.co.kr/news/business/view/2022/06/571709/>

Article: Where Have All the Public Companies Gone? (ie.edu/insights)

There will be group work.

SESSION 4 (LIVE IN-PERSON)

Family offices.

Family offices across the globe that are institutional in nature. Their asset bases are in line with other institutional investors, and their investment management functions are professionally staffed.

- Family Office Landscape.
- Family Office Investment Insights.

After the session, the student will have to present an individual work. The delivery time will be 15 days.

SESSION 5 (LIVE IN-PERSON)

Venture capital and Growth.

Different stages of investment in companies.

Exposure in trends.

- How to access?
- How are the exits?

SESSION 6 (LIVE IN-PERSON)

Deep Tech & Deep Science. Bubbles or not.

- Are we talking about the same thing?
- TRL (Technology Readiness Levels)
- Pre-seed and seed.

There will be group work.

SESSION 7 (LIVE IN-PERSON)

SPACS and IPOs

Why so many companies are choosing SPACs over IPOs?

After the session, the student will have to present an individual work. The delivery time will be 15 days.

SESSION 8 (LIVE IN-PERSON)

Private debt expansion. US, Europe and Asia.

Private credit joins private equity to freeze out banks?

SESSION 9 (LIVE IN-PERSON)

Energy transition. Renewables and megatrends. Infrastructures.

We are facing rapid and necessary changes. The megatrends linked to long-term investments are part of the Asset Allocation.

SESSION 10 (LIVE IN-PERSON)

ProTech. OpCo & PropCo. Real Estate.

Real estate is no longer just bricks.

There will be group presentations.

SESSION 11 (LIVE IN-PERSON)

Natural resources. Commodities, Energy and food “security”. Supply chain.

This year we start with new paradigms to build our future. We cannot forget them in the Asset Allocation.

SESSION 12 (LIVE IN-PERSON)

Where are the Hedge Funds?

We'll find them again!

SESSION 13 (LIVE IN-PERSON)

Cryptocurrency and Blockchain.

What should we say about it?

Group presentation.

SESSION 14 (LIVE IN-PERSON)

Stagflation and Asset Allocation.

Which is the best Asset Allocation?

Are you sure?

Work Group.

SESSION 15 (LIVE IN-PERSON)

Exam

EVALUATION CRITERIA

The evaluation method will include Individual work, Work groups, Group presentation, class participation and exam.

Criteria	Percentage	Comments
Final Exam	50 %	
Individual Work	15 %	
Workgroups	10 %	
Group Presentation	15 %	
Class Participation	10 %	

GENERAL OBSERVATIONS

Each student has four attempts over two consecutive academic years to pass this course.

For every BIE Program mandatory class, students are required to obtain the minimum grade of 5 required to pass the course. Students whose grade in the Final Exam (or the largest assignment) is below 5 will fail the course. The rule applies to whichever assignment carries the greatest weight to the final grade. Dates and location of the final exam will be posted in advance and will not be changed.

Students must attend at least 70% of the sessions. Students who do not comply with the 70% attendance rule will receive a 0.0 on their first and second attempts and go directly to the third one (they will need to enroll in this course again the following academic year).

Students who are in the third or fourth attempt must contact the professor during the first two weeks of the course.

ATTENDANCE

In-person attendance is mandatory at IE University, as it is an essential factor of IE's learning methodology. While we do closely monitor attendance in each course, we also consider our students responsible for their own agenda and commitments, as adult university students. With that in mind, each student may miss up to 30% of the sessions within a given course and still maintain the possibility of passing that given course. This 30% "buffer" is to be used for any absences, such as: illnesses, personal emergencies, commitments, official/governmental matters, business and/or medical appointments, family situations, etc. Students should manage their various needs, and situations that may arise, within that 30% buffer. If a student is absent to more than the allowed 30% of the sessions (regardless of the reason), s/he will obtain a 0.0 grade for that course in both the ordinary and extraordinary calls of the current academic year, and s/he will have to retake the course during the following academic year.

Please pay close attention to your attendance. The program strongly encourages attending 100% of the sessions as it will improve your learning outcomes, it will increase the class performance and it will benefit your participation grade. Noncompliance with deadlines for Non-Classroom Learning activities or assignments will result in an absence for the session.

Extreme cases involving emergencies such as: extended hospitalizations, accidents, serious illnesses and other cases of force majeure, are to be consulted with the Program Management (bir.biemadrid@ie.edu) for assessment of the situation and corresponding documentation, in order to support and guide each student optimally.

For more information about the university attendance policy, please check; <https://www.ie.edu/student-guide/bir/policies-and-guidelines/attendance/>

RETAKE POLICY

Any student whose weighted final grade is below 5 will be required to sit for the retake exam to pass the course (except those not complying with the attendance rules, whom are banned from this possibility).

Grading for retakes will be subject to the following rules:

- The retakes will consist of a comprehensive exam or equivalent assignment. The grade will depend only on the performance on this exam; continuous evaluation over the semester will not be taken into account.
- Dates and location of the retakes will be posted in advance and will not be changed.
- The exam/assignment will be designed bearing in mind that the passing grade is 5 and the maximum grade that can be attained is 8 out of 10.

PLAGIARISM / ACADEMIC HONESTY

Plagiarism is the dishonest act of presenting another person's ideas, texts or words as your own. This includes in order of seriousness of the offense:

- providing faulty sources;
- copy-pasting material from your own past assignments (self-plagiarism) without the instructor's permission;
- copy-pasting material from external sources even while citing them;
- using verbatim translations from sources in other languages without citing them;
- copy-pasting material from external sources without citing them;
- and buying or commissioning essays from other parties.

IEU students must contact the professor if they don't know whether the use of a document constitutes plagiarism. For help with your academic writing, contact the Writing Center (writingcenter@faculty.ie.edu). The professor will also advise the student on how to present said material. All written assignments must be submitted through Turn-it-in, which produces a similarity report and detects cases of plagiarism. Professors are required to check each student's academic work in order to guarantee its originality. If the originality of the academic work is not clear, the professor will contact the student in order to clarify any doubts. Students using external tutorial support should report it to the professor and the BIR Program from the moment they began receiving this support. In the event that the meeting with the student fails to clarify the originality of the academic work, the professor will inform the Director of the Bachelor Program about the case, who will then decide whether to bring the case forward to the BIR Academic Review Panel. Very high similarity scores will be automatically flagged and forwarded to the Academic Review Panel. Plagiarism constitutes a very serious offense and may carry penalties ranging from getting a zero for the assignment to expulsion from the university depending on the severity of the case and the number of times the student has committed plagiarism in the past.

PROFESSOR BIO

Professor: **FRANCESC MARTINEZ BAILAC**

E-mail: fmartinezb@faculty.ie.edu

Francesc Martínez is currently the Alternative Investments Director at Orilla Asset Management. Previously, He was a Director in Telefonica Group and member of fonditel management committee. He was the Alternative Investments Director at fonditel. A Board of Directors member at Lazora and a member of many supervisory-Investment committees. Francesc holds 27 years asset management experience, in private equity, venture capital, private debt, infrastructures, real estate and in traditional assets and derivatives. Developing his previous professional activity in La Caixa and Caixa Catalunya groups too. From the ESG perspective, He was Spainsif Vice-president. He has been professor at IE's international MBA. Degree in Economics and Business at the University of Barcelona. Diploma in Banking Management from EADA. Options and Futures Operator License, Type III issued by MEFF.PFD from IEF. Diploma in Credit Management from EADA. Graduate Corporate Finance from UIC. Graduate Industrial Economics. CEU.C.D.E.S.

OTHER INFORMATION

Office hours available by appointment: fmartinezb@faculty.ie.edu

CODE OF CONDUCT IN CLASS

1. Be on time. Students arriving more than 5 minutes late will be marked as "Absent". Only students that notify in advance in writing that they will be late for a specific session may be granted an exception (at the discretion of the professor). Students attending online must always have their cameras on during the session or risk being marked absent.
2. If applicable, bring your name card and strictly follow the seating chart. It helps faculty members and fellow students learn your names.
3. Do not leave the room during the lecture: Students are not allowed to leave the room during lectures. If a student leaves the room during lectures, he/she will not be allowed to re-enter and, therefore, will be marked as "Absent". Only students that notify that they have a special reason to leave the session early will be granted an exception (at the discretion of the professor).
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disciplinary issues will entail 5 absences.



POLITICAL ECONOMY OF EMERGING MARKETS

IE University

Professor: **JOSE MANUEL PUENTE CAMBA**

E-mail: jpuentec@faculty.ie.edu

Academic year: 23-24

Degree course: THIRD

Semester: 2^o

Category: OPTIONAL

Number of credits: 3.0

Language: English

PREREQUISITES

No requirement, prior training or prerequisites is necessary

SUBJECT DESCRIPTION

The Political Economy of Emerging Markets and Latin American Economies

The interactions of markets and economic institutions are influenced by the political environment in which those institutions operate. Students interested in understanding the effects of economic policies and how they are designed, must be knowledgeable about the political institutions, players and incentives involved. At the same time, students interested in political outcomes and institutions must consider the economic forces that interact in the political environment. Unlike economics and "pure" political science, political economy emphasises both "economic behaviour in the political process and political behaviour in the market." The aim of political economy analysis is to develop a theoretical and empirical understanding of the connection between economics and politics. This course will have a special focus in applied themes, "real world" issues in modern political economy in Emerging Economies and Latin American Economies with special emphasis en China, India, Chile, Mexico, Brasil, Rusia, Sudafrica, etc and all the remaining Latin American Economies. The programme allows you to develop your own research interests on particular countries, groups of countries or regions.

OBJECTIVES AND SKILLS

- Introduce students to the basic concepts of political economy: methods, assumptions and limitations.
- Engage students in the analysis of the players, processes and stages involved in formulating and implementing economic policies in democracy.
- Provide students with the analytical tools to help them understand, particularly within the context of Emerging Markets and Latin America and economies, the interaction between economic and political forces in the distribution of economic resources.

METHODOLOGY

LEARNING OUTCOMES

At the completion of this course, students will be able to understand the differences between different research methods and identify strengths and limitations of various research designs. In particular, they will be able to use political economy analysis to develop an understanding of the connection between economics and politics and apply this framework to different theoretical and “real world” cases in Emerging Markets and Latin America.

In addition to the teacher's presentations / master class, the course will have the following pedagogical methodology: EVALUACIÓN:

- Activity A: Brief presentation by the students 20%
- Activity B: Brief paper 40%
- Activity C: Simulation “in teams” 30%
- Activity D: Classroom Participation:

The evaluation scale will be the one established in accordance with IE standards.

The evaluation of the course will consist of a brief presentation, which could be individual or in a group if requested by students (20% of the grade), a brief paper (40%), a Simulation “in teams” (30% of the grade) and attendance and participation in class (10% of the grade) The characteristics of the presentation, paper, simulation and quantification of participation and class attendance will be discussed with the students the first week of classes.

For the purpose of the final evaluation, taking into account that the individual evaluation should not be less than 50%. Reading list:

Teaching methodology	Weighting	Estimated time a student should dedicate to prepare for and participate in
Lectures	26.67 %	20 hours
Discussions	26.67 %	20 hours
Exercises	13.33 %	10 hours
Group work	20.0 %	15 hours
Other individual studying	13.33 %	10 hours
TOTAL	100.0 %	75 hours

PROGRAM

SESSION 1 (LIVE IN-PERSON)

Introduction to Political Economy, Public Goods, Median Voter, Theorem, Arrow Theorem, Coletive Action and Interest Groups: An Overview

*Book Chapters: *A. Drazen. Political Economy in Macroeconomics (Princeton, Princeton University Press, 2000) Chapter 1 (What is Political Economy?) (IE Library)*

*Book Chapters: *J. Stiglitz Economics of the Public Sector (W.W. Norton Company, Inc. 2015), Chapter. 5 & 6 (IE Library)*

*Book Chapters: *R. Looney. Handbook of Emerging Economies (Routledge, 2018) (IE Library)*

*Book Chapters: *M. Olson. The Logic of Collective Action, pgs 1-16 (IE Library)*

*Book Chapters: **Shepsle & M. Bonchek. Analyzing Politics: Rationality, Behavior and Institutions, (Www Norton & Company, Inc, 1997), Chapters, 2, 4 & 1 (IE Library)*

* Recommended reading article

** Complementary reading article (optional)

SESSION 2 (LIVE IN-PERSON)

The Political Economy of Economic Reform

*Article: *D. Rodrik Understanding Economic Policy Reform (Journal of Economic Literature, (1996) Vol. 34, No. 1, 9-34)*

*Article: **D. Rodrik The Positive Economics of Policy Reform, (The American Economic Review, (1993) Vol. 83, No. 2, 356-36)*

*Article: **Puente, J & Rodríguez, J en Etapa de Colapso Macroeconomico: Un Analisis Historico y Comparativo, (America Latina Hoy Universidad de Salamanca (Número 85, Agosto 2020))*

*Article: **Puente, J, 'Le Venezuela: l'histoire d'un effondrement économique et social' (Revue Les Temps Moderne Francia, 2017)*

* Recommended reading article

** Complementary reading article (optional)

SESSION 3 (LIVE IN-PERSON)

The Political Economy of Trade

*Book Chapters: *P. Krugman. Protection in Developing Countries, en R. Dornbusch, Policymaking in the Open Economy, (Oxford University Press, 1993) (IE Library)*

*Book Chapters: *P. Krugman. international Economics: Theory and Policy (McGraw-Hill, 1997) Chapter. 9 (IE Library)*

* Recommended reading article

** Complementary reading article (optional)

SESSION 4 (LIVE IN-PERSON)

The Political Economy of Public Spending

*Book Chapters: *M. Hallerberger, C. Scartascini & E. Stein Who Decides the Budget? in Hallerberger, M, Scartascini, C & Stein, E, (David Rockefeller Center for Latin American Studies. Cambridge. Harvard University Press, 2009)*

*Working Paper: *J. Puente, A. Daza, G. Rios & A. Rodríguez The Political Economy of the Budget Making Process in the Andean region: The case of Venezuela (Washington. D. C., BID, 2007) (IADB Nov 2006)*

*Article: **T. Besley & A. Case Does Electoral Accountability Affect Economic Policy Choices. Evidence from Gubernatorial Term Limits, (The Quarterly Journal Economics, (1995) 769-798)*

*Article: **M. Marlow & W. Orzechowski Public Sector Unions and Public Spending, (Public Choice, (1996) Vol. 89, 1-16)*

* Recommended reading article

** Complementary reading article (optional)

SESSION 5 (LIVE IN-PERSON)

¿Why Nations Fail? A Political Economy Approach

*Book Chapters: *D. Acemoglu & J. Robinson Why Nations Fail: The Origins of Power, Prosperity and Poverty (Profile Books 2013); Chapter 1, 3, 4, 13 & 14 (IE Library)*

* Recommended reading article

** Complementary reading article (optional)

SESSION 6 (LIVE IN-PERSON)

The Political Economy of Macroeconomic Stabilization Funds

*Working Paper: *FMI From Volatility to Stability in Expenditure: Stabilization Funds in Resource-Rich Countries. International Monetary Fund. 2014. (IMF 2014 (WP/14/43))*

*Working Paper: *FMI Review of the Experience with Oil Stabilization and Savings Funds in Selected Countries, International Monetary Fund. 2000 (International Monetary Fund, Volume 2000: Issue 112)*

*Article: **Capote, M, Farias, J.M, Puente, J.M. Los Fondos de Estabilización de Noruega y Venezuela: Dos Universos Opuestos . (Debates IESA. 15 Marzo 2021)*

SESSION 7 (LIVE IN-PERSON)

Part I: The Political Economy of Taxation

W. Hettich & S. Winer The Political Economy of Taxation and Tax Structure, en D. Muller (ed), *Perspectives in Public Choice: A Handbook*, (Cambridge: Cambridge University Press, 1997)

*IMF Tax Policy for Emerging Markets (Washington D.C. IMF 2020)

**G. Tullock *The Economics of Special Privilege and Rent Seeking* (Kluger Academic Publishers, 1989)

Part II: The Political Economy of Budgetary Institutions

*E. Campos & S. Pradhan *Budgetary Institutions and Expenditure Outcomes. Binding Governments to Fiscal Performance*, Policy Research Working Paper 1646 (The World Bank, Washington, 1996)

**Hausmann & E. Stein *Searching for the Right Budgetary Institutions for the Volatile Region in R. Hausmann and H. Reisen (eds), Securing Stability and Growth in Latin America*, (Paris: OECD-IDB, 1996)

**A. Alesina & R. Perotti *Budget Deficits and Budget Institutions*, NBER Working Paper #5556,

*Book Chapters: *W. Hettich & S. Winer* The Political Economy of Taxation and Tax Structure, en D. Muller (ed), Perspectives in Public Choice: A Handbook, (Cambridge: Cambridge University Press, 1997)*

*Working Paper: *IMF Tax Policy for Emerging Markets (Washington D.C. IMF 2020) (IMF (WP/00/35))*

*Working Paper: *E. Campos & S. Pradhan Budgetary Institutions and Expenditure Outcomes. Binding Governments to Fiscal Performance, (The World Bank, Washington, 1996) (Policy Research Working Paper 1646)*

*Book Chapters: **G. Tullock The Economics of Special Privilege and Rent Seeking (Kluger Academic Publishers, 1989)*

*Book Chapters: **Hausmann & E. Stein Searching for the Right Budgetary Institutions for the Volatile Region in R. Hausmann and H. Reisen (eds), Securing Stability and Growth in Latin America, (Paris: OECD-IDB, 1996)*

Working Paper: **A. Alesina & R. Perotti Budget Deficits and Budget Institutions (NBER Working Paper #5556)

* Recommended reading article

** Complementary reading article (optional)

SESSION 8 (LIVE IN-PERSON)

The Political Economy of Prostitution

Article: *L. Edlund & E. Korn A Theory of Prostitution (*Journal of Political Economy* (2002, vol. 110, no 1))

Book Chapters: **A. Warnick Sex without Romance: The Political Economy of Prostitution, (*Social Science Research Network*, 2008)

Article: **H. Barnett The Political Economy of Rape and Prostitution, (*Review of Radical Political Economics*, (1976, Vol. 8, No 1, 59-68))

* Recommended reading article

** Complementary reading article (optional)

SESSION 9 (LIVE IN-PERSON)

The Political Economy of Happiness

Book Chapters: *P. Dolan Happiness by Design (Penguin Random House UK 2014) (IE Library)

Book Chapters: **D. Haybron Happiness: A Very Short Introduction (Oxford University Press 2013)

Book Chapters: **C. Graham Happiness Around the World (Oxford University Press 2010)

* Recommended reading article

** Complementary reading article (optional)

SESSION 10 (LIVE IN-PERSON)

Managing Diverging Economic Recoveries. Business and Economic Outlook for the Emerging and Latin America Economies

Working Paper: *ECLAC Latin America and the Caribbean: GDP growth in 2020 and projections 2021 and 2022

Working Paper: *IMF World Economic Outlook. Managing Divergent Recoveries (IMF, April, 2021) (IMF, April 2021)

Book Chapters: **World Bank Doing Business 2020. (World Bank, Washington D.C. 2021)

Multimedia Documentation: **Open Budget Index (Open Budget Survey)

Book Chapters: **M. Mobius. The Little Book of Emerging Markets: How To Make Money in the World's Fastest Growing Markets (Wiley, 2012)

* Recommended reading article

** Complementary reading article (optional)

SESSION 11 (LIVE IN-PERSON)

Sessions 11, 12, 13, 14

Simulation: The Political Economy of Macroeconomic Policy and Budgeting in a Emerging Economy

Multimedia Documentation: *J. Puente A Budgetary-Macroeconomic Simulation in a Emerging Market, (IESA 2022)

SESSION 12 (LIVE IN-PERSON)

Sessions 11, 12, 13, 14

Simulation: The Political Economy of Macroeconomic Policy and Budgeting in a Emerging Economy

*Multimedia Documentation: *J. Puente A Budgetary-Macroeconomic Simulation in a Emerging Market, (IESA 2022)*

SESSION 13 (LIVE IN-PERSON)

Sessions 11, 12, 13, 14

Simulation: The Political Economy of Macroeconomic Policy and Budgeting in a Emerging Economy

*Multimedia Documentation: *J. Puente A Budgetary-Macroeconomic Simulation in a Emerging Market (IESA 2022)*

SESSION 14 (LIVE IN-PERSON)

Sessions 11, 12, 13, 14

Simulation: The Political Economy of Macroeconomic Policy and Budgeting in a Emerging Economy

*Multimedia Documentation: *J. Puente A Budgetary-Macroeconomic Simulation in a Emerging Market, (IESA 2022)*

SESSION 15 (LIVE IN-PERSON)

Presentations of Government Programmes

*Multimedia Documentation: *J. Puente A Budgetary-Macroeconomic Simulation in a Emerging Market, (IESA 2022)*

EVALUATION CRITERIA

EVALUACIÓN:

The evaluation scale will be the one established in accordance with IE standards.

The evaluation of the course will consist of a brief presentation, which could be individual or in a group if requested by students (20% of the grade), a brief "individual" paper (40%), a Simulation "in teams" (30% of the grade) and participation in class (10% of the grade) The characteristics of the presentation, paper, simulation and quantification of participation and class attendance will be discussed with the students the first week of classes.

For the purpose of the final evaluation, taking into account that the individual evaluation should not be less than 50%, the weighting of the different activities of the course will be:

Criteria	Percentage	Comments
Activity A	20 %	Brief Presentation
Activity B	40 %	Brief Paper
Activity C	30 %	Team Simulation
Activity D	10 %	Classroom Participation

GENERAL OBSERVATIONS

Each student has four attempts over two consecutive academic years to pass this course.

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Students who are in the third or fourth attempt must contact the professor during the first two weeks of the course.

ATTENDANCE

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Please pay close attention to your attendance. The program strongly encourages attending 100% of the sessions as it will improve your learning outcomes, it will increase the class performance and it will benefit your participation grade. Noncompliance with deadlines for Non-Classroom Learning activities or assignments will result in an absence for the session.

Extreme cases involving emergencies such as; extended hospitalizations, accidents, serious illnesses and other cases of force majeure; are to be consulted with the Program Management (bir.biemadrid@ie.edu / bir.biesegovia@ie.edu) for assessment of the situation and corresponding documentation, in order to support and guide each student optimally.

For more information about the university attendance policy, please check; <https://www.ie.edu/student-guide/bir/policies-and-guidelines/attendance/>

THIRD CALL RETAKE POLICY

Any student in their third call of a course, also known as a "Retaker", is obliged to observe the following rules:

- Third call students must contact their professors before or during the first session to ask which work and or *sessions will be required to obtain a passing grade. The professor will determine which work will be required in their course.
*(e.g. when presenting group work, sitting for examinations or other work done in class)
- Retakers are exempt from failing the call due to absences; however, they are not exempt from work the professor designates as necessary to obtain a passing grade. This means some sessions may be mandatory to attend in order to complete the work within.
- Students in their third call are responsible for managing the conflicts in their schedule, should students need advice on how to manage their conflicts they should visit the program office.

EXTRAORDINARY EXAMINATION POLICY

Any student whose weighted final grade is below 5 will be required to sit for the extraordinary exam to pass the course (except those not complying with the attendance rules, whom are banned from this possibility).

Grading for retakes will be subject to the following rules:

- The extraordinary call will consist of a comprehensive exam or equivalent assignment. The grade will depend only on the performance on this exam; continuous evaluation over the semester will not be taken into account.
- Dates and location of the retakes will be posted in advance and will not be changed.
- The exam/assignment will be designed bearing in mind that the passing grade is 5 and the maximum grade that can be attained is 8 out of 10.

PLAGIARISM / ACADEMIC HONESTY

Plagiarism is the dishonest act of presenting another person's ideas, texts or words as your own. This includes in order of seriousness of the offense:

- providing faulty sources;
- copy-pasting material from your own past assignments (self-plagiarism) without the instructor's permission;
- copy-pasting material from external sources even while citing them;
- using verbatim translations from sources in other languages without citing them;
- copy-pasting material from external sources without citing them;
- and buying or commissioning essays from other parties.

IEU students must contact the professor if they don't know whether the use of a document constitutes plagiarism. For help with your academic writing, contact the Writing Center (writingcenter@faculty.ie.edu). The professor will also advise the student on how to present said material. All written assignments must be submitted through Turn-it-in, which produces a similarity report and detects cases of plagiarism. Professors are required to check each student's academic work in order to guarantee its originality. If the originality of the academic work is not clear, the professor will contact the student in order to clarify any doubts. Students using external tutorial support should report it to the professor and the BIR Program from the moment they began receiving this support. In the event that the meeting with the student fails to clarify the originality of the academic work, the professor will inform the Director of the Bachelor Program about the case, who will then decide whether to bring the case forward to the BIR Academic Review Panel. Very high similarity scores will be automatically flagged and forwarded to the Academic Review Panel. Plagiarism constitutes a very serious offense and may carry penalties ranging from getting a zero for the assignment to expulsion from the university depending on the severity of the case and the number of times the student has committed plagiarism in the past.

PROFESSOR BIO

Professor: **JOSE MANUEL PUENTE CAMBA**

E-mail: jpuentec@faculty.ie.edu

Professor of the Public Policy Centre at the Instituto de Estudios Superiores de Administración - IESA. Visiting Professor. University of Salamanca. 2016-2019. Universidad Autónoma de Madrid. 2018. Visiting Lecturer. Blavatnik School of Government. University of Oxford. 2014-2016. Senior Member St Antony's College. University of Oxford. 2013-2016. B.A. in Economics, Universidad Central de Venezuela - UCV (1994); Msc. in Public Policy and Administration, London School of Economics (1997); Msc. in Public Policy, University of Oxford (1998). P.h.D. in Political Economy (2005), University of Oxford.

He has consulted to numerous international institutions and companies, including: the Inter-American Development Bank (IDB), the World Bank (WB), the Office of Economic and Financial Advice of the Venezuelan National Assembly (OAEF), as well as various government institutions and national and international corporations. Participant in the International Visitor Leadership Program sponsored by the U.S. Department of State, 2010. He has contributed in the Harvard Business School's Global Colloquium on Participant-Centered Learning, 2011 and 2012. In 2012, 2013 and 2018 he received IESA's best teaching award. In 2013 he received the award for Best Article about Venezuela in Social Sciences at the Latin American Studies Association LASA. Elected Member. National Academy of Economic Sciences (2019)

He has lectured and spoken on economics and public policy affairs at numerous international research institutes and universities, including University of Oxford, Harvard University, MIT, University of Cambridge, University College London, King's College London, Princeton University, University of Chicago, Tulane University, Miami University, Center for Strategic & International Studies (USA), Universidad Autónoma de Madrid, Real Instituto Elcano, IE University, University of Salamanca, Grupo Concordia (Spain), Sciences Po, OECD (Paris), ESAN (Peru), IPRI (Brazil) EU (Brussels). He has been visiting lecturer at the University of Oxford, University of Chicago, University of Salamanca, Universidad Autónoma de Madrid, IE, Madrid and University of Coruña.

His areas of academic interests are: Political Economy, Public Finance and Budgeting, Social Expenditure and Venezuelan Macroeconomics and Emerging Markets and Developing Economies. His most recent book is: Puente José Manuel (y Susanne Gratius) coordinators: "Venezuela en la Encrucijada. Radiografía de un Colapso (Konrad Adenauer Stiftung, abediciones e IESA. Caracas, 2021)

OTHER INFORMATION

Office hours: Monday 4:45 to 5:45 p.m

Emails for appointments: jpuentec@faculty.ie.edu jose.puente@iesa.edu.ve

Twitter: @jmpuentec

Telephone/whatsapp: +447502421795

CODE OF CONDUCT IN CLASS

1. Be on time. Students arriving more than 5 minutes late will be marked as "Absent". Only students that notify in advance in writing that they will be late for a specific session may be granted an exception (at the discretion of the professor). Students attending online must always have their cameras on during the session or risk being marked absent.
2. If applicable, bring your name card and strictly follow the seating chart. It helps faculty members and fellow students learn your names.

3. Do not leave the room during the lecture: Students are not allowed to leave the room during lectures. If a student leaves the room during lectures, he/she will not be allowed to re-enter and, therefore, will be marked as "Absent". Only students that notify that they have a special reason to leave the session early will be granted an exception (at the discretion of the professor).
4. Do not engage in side conversation. As a sign of respect toward the person presenting the lecture (the teacher as well as fellow students), side conversations are not allowed. If you have a question, raise your hand and ask it. If you do not want to ask it during the lecture, feel free to approach your teacher after class. If a student is disrupting the flow of the lecture, he/she will be asked to leave the classroom and, consequently, will be marked as "Absent".
5. Use your laptop for course-related purposes only. The use of laptops during lectures must be authorized by the professor. The use of Social Media or accessing any type of content not related to the lecture is penalized. The student will be asked to leave the room and, consequently, will be marked as "Absent".
6. No cellular phones: IE University implements a "Phone-free Classroom" policy and, therefore, the use of phones, tablets, etc. is forbidden inside the classroom. Failing to abide by this rule entails expulsion from the room and will be counted as one absence.
7. Escalation policy: 1/3/5. Items 4, 5, and 6 above entail expulsion from the classroom and the consequent marking of the student as "Absent." IE University implements an "escalation policy": The first time a student is asked to leave the room for disciplinary reasons (as per items 4, 5, and 6 above), the student will incur one absence, the second time it will count as three absences, and from the third time onward, any expulsion from the classroom due to disciplinary issues will entail 5 absences.



TREASURY & FINANCIAL MANAGEMENT

IE University

Professor: **ANTOINE LEBRUN**

E-mail: alebrun@faculty.ie.edu

Academic year: 23-24

Degree course: THIRD

Semester: 2^o

Category: OPTIONAL

Number of credits: 3.0

Language: English

PREREQUISITES

Students should have basic knowledge / understanding of corporate finance and accounting principles

SUBJECT DESCRIPTION

This course is a practical corporate finance course designed for potential future CFOs, Financial Analysts, Investors, Portfolio Managers who wish to understand how to build, optimize and analyse companies' finance teams and finances. The goal of this course is to help student understand how value is created for shareholders through financial management.

OBJECTIVES AND SKILLS

This course will focus on practical treasury and financial management in the corporate world environment. It will leverage on the knowledge developed during Corporate finance classes to help students understand how these concepts apply to a real world environment.

This course is designed for students who wish to join the finance department of companies, future CFOs, or Equity and Alternative Investments financial analysts who would like to deepen their knowledge in how finance is structured in startups and corporations.

You will develop the skills to assess the state of a financial department, understand a company's needs across its life-cycles, and will be able to adapt and improve the processes to enhance shareholder value through financial optimization.

METHODOLOGY

This course is a practical course and class attendance and participation is necessary for students to take away as much as possible

Teaching methodology	Weighting	Estimated time a student should dedicate to prepare for and participate in
Lectures	26.67 %	20 hours
Discussions	0.0 %	0 hours
Exercises	0.0 %	0 hours

Group work	26.67 %	20 hours
Other individual studying	46.67 %	35 hours
TOTAL	100.0 %	75 hours

PROGRAM

SESSIONS 1 - 2 (LIVE IN-PERSON)

Reminder of Key finance concepts:

- Time Value of money
- Compounding and discounting
- NPV and IRR
- Interest rates and FX dynamics

Structure of a Finance department and tasks:

- Accounting
- Controlling
- FP&A
- Treasury
- Tax
- Corporate Development
- In-house bank

Practical Case: Finance Reading: Time Value of Money (HBS 8299-PDF-ENG)

Technical note: Note on Financial Management (HBS TCG325-PDF-ENG)

SESSIONS 3 - 4 (LIVE IN-PERSON)

Stages of a company and their capital stack:

- From VC to growth
- Established corporation
- Declining Corporation
- Public vs private companies

Startup and early stage:

- Cash burn and runway
- Raising capital and cap table
- Setting up a finance department
- Debt financing
- Alternative financing

Technical note & tutorials: Determining the optimal capital structure for a firm (FIN020197-U-ENG-WOD)

Technical note & tutorials: The Optimal Capital Structure (FIN020160-U-ENG-HTM)

Technical note: Early-Stage Term Sheets (HBS UV6972-PDF-ENG)

SESSIONS 5 - 6 (LIVE IN-PERSON)

Mature companies:

- Capital structure
- Debt financing (loans vs bonds)
- Alternative sources of financing
- Dividend distribution theories

Declining companies:

- Capital structure
- Debt financing (leveraged and distressed debt)
- Restructuring process

Technical note: Valuation of Late-Stage Companies and Buyouts (HBS UV5637-PDF-ENG)

Technical note: A Note on Cost Reduction in Financially Troubled Organizations (HBS 809161-PDF-ENG)

SESSIONS 7 - 8 (LIVE IN-PERSON)

Public companies:

- Shareholding structure
- Investors' expectations
- Investor types

The M&A Process:

- DD
- Valuation
- Closing the deal
- Integration

Technical note: The Discounted Cash Flow-based Valuation Methodology as Tested by a Public Market Transaction (HBS 905N21-PDF-ENG)

Practical Case: Finance Reading: The Mergers and Acquisitions Process (HBS 5242-PDF-ENG)

Practical Case: Methods of Valuation for Mergers and Acquisitions (HBS UV0112-PDF-ENG)

Practical Case: Heinz: Warren Buffett's Bid for the Ketchup Giant (FIN010212-U-ENG-HTML)

Practical Case: H. J. Heinz M&A (HBS KEL848-PDF-ENG)

SESSIONS 9 - 10 (LIVE IN-PERSON)

The financial modelling and forecasting process:

- Top down vs bottom-up
- Direct vs indirect forecasting
- Accrual based vs cash based forecasting
- Data in finance

Cash management:

- Short term investments
- Structured products
- Term deposits
- Carry-trade

Technical note: Financial Analytics Toolkit: Cash Flow Projections (HBS UV7875-PDF-ENG)

SESSIONS 11 - 12 (LIVE IN-PERSON)

Risk Management:

- FX hedging
- Interest rate hedging
- Derivatives

Graded case to be handed over by session 13.

Working Capital management and other cash ratios:

- Understand the asset - liability structure
- Optimize working capital

Practical Case: FX Risk Hedging at EADS (HBS 213080-PDF-ENG)

Article: Six Ways Companies Mismanage Risk (HBR R0903G-PDF-ENG)

Technical note & tutorials: Factors in the Management of Working Capital (FIN020013-U-ENG-WOD)

Technical note & tutorials: Impact of Working Capital Management on Business Solvency and Economic Value Creation (FIN020158-U-ENG-WOD)

Multimedia Documentation: Working Capital Simulation: Managing Growth V2 (HBS 7070-HTML-ENG)

SESSIONS 13 - 14 (LIVE IN-PERSON)

Corporate banking management:

- Credit risk
- Debt
- Working Capital facilities
- Leasing
- Factoring
- Trade finance
- Sweeping and pooling
- Fintech

Guest speaker: CFO

SESSION 15 (ASYNCHRONOUS)

Live online exam

BIBLIOGRAPHY

Recommended

- Jonathan Berk & Peter DeMarzo. *Corporate Finance*. ISBN 9781292304151 (Digital)
- Steven M Bragg. *Treasury Management: The Practitioner's Guide*. ISBN 0470497084 (Digital)
- John Gilligan and Mike Wright. *Private Equity Demystified: An Explanatory Guide*. ISBN 0198866992 (Digital)

EVALUATION CRITERIA

Participation in class will represent 10% of the score. 2 Group cases will represent 40% of the score (20% per case), final exam question will represent 50% of the grade

Participation in class means active participation in the debates. Simply showing up to class at the required time will not give any points.

Each student has four attempts over two consecutive academic years to pass this course.

For every BIE Program mandatory class, students are required to obtain the minimum grade of 5 required to pass the course. Students whose grade in the Final Exam is below 5 should have a final grade no greater than 4.9. In the event there is no final exam this rule applies to the part that is the greatest share of the final grade.

Dates and location of the final exam will be posted in advance and will not be changed.

Students must attend at least 70% of the sessions. Students who do not comply with the 70% attendance rule will receive a 0.0 on their first and second attempts and go directly to the third one (they will need to enroll in this course again the following academic year).

Students who are in the third or fourth attempt should contact the professor during the first two weeks of the course.

ATTENDANCE

Attendance is mandatory at IE University, as it is an essential factor of IE's learning methodology. While we do closely monitor attendance in each course, we also consider our students responsible for their own agenda and commitments, as adult university students. With that in mind, each student may miss up to 30% of the sessions within a given course and still maintain the possibility of passing that given course. This 30% "buffer" is to be used for any absences, such as: illnesses, personal emergencies, commitments, official/governmental matters, business and/or medical appointments, family situations, etc. Students should manage their various needs, and situations that may arise, within that 30% buffer. If a student is absent to more than the allowed 30% of the sessions (regardless of the reason), s/he will obtain a 0.0 grade for that course in both the ordinary and extraordinary calls of the current academic year, and s/he will have to retake the course during the following academic year. Having established the rule, we strongly discourage to use this buffer as granted, we highly recommend attending 100% of the classes as it will improve your learning outcomes, it will increase the class performance and it might improve your participation grade.

Extreme cases involving emergencies such as: extended hospitalizations, accidents, serious illnesses and other contexts involving force majeure, are to be consulted with the Program Management team for assessment of the situation and corresponding documentation, so that Program Management can support and guide each student optimally.

RETAKE POLICY

Any student whose weighted final grade is below 5 will be required to sit for the retake exam to pass the course (except those not complying with the attendance rules, whom are banned from this possibility).

Grading for retakes will be subject to the following rules

The retakes will consist of a comprehensive exam. The grade will depend only on the performance on this exam; continuous evaluation over the semester will not be taken into account.

The exam will be designed bearing in mind that the passing grade is 5 and the maximum grade that can be attained is 8 out of 10.

Dates and location of the retakes will be posted in advance and will not be changed.

PLAGIARISM / ACADEMIC HONESTY

Plagiarism is the dishonest act of presenting another person's ideas, texts or words as your own. This includes in order of seriousness of the offense:

- providing faculty sources;
- copy-pasting material from your own past assignments (self-plagiarism) without the instructor's

permission;

- copy-pasting material from external sources even while citing them;
- using verbatim translations from sources in other languages without citing them;
- copy-pasting material from external sources without citing them;
- and buying or commissioning essays from other parties.

IEU students must contact the professor if they don't know whether the use of a document constitutes plagiarism. The professor will advise the student on how to present said material. All written assignments have to be submitted through Turnitin, which produces a similarity report and detects cases of plagiarism. Professors are required to check each student's academic work in order to guarantee its originality. If the originality of the academic work is not clear, the professor will contact the student in order to clarify any doubts. Students using external tutorial support should report it to the professor and the BIE Program from the moment they began receiving this support. In the event that the meeting with the student fails to clarify the originality of the academic work, the professor will inform the Director of the Bachelor Program about the case, who will then decide whether to bring the case forward to the BIE Academic Review Panel. Very high similarity scores will be automatically flagged and forwarded to the Academic Review Panel.

Plagiarism constitutes a very serious offense and may carry penalties ranging from getting a zero for the assignment to expulsion from the university depending on the severity of the case and the number of times the student has committed plagiarism in the past.

Criteria	Percentage	Comments
Final Exam	50 %	multiple choice and essay type questions
Workgroups	40 %	2 cases
Class Participation	10 %	Participation in class discussions

PROFESSOR BIO

Professor: **ANTOINE LEBRUN**

E-mail: alebrun@faculty.ie.edu

Antoine is a finance expert in PE and VC portfolio companies and funds. He is experienced in aligning companies' internal processes with funds' expectations. He specializes in innovative and disruptive business models, with a focus on tech companies.

Currently responsible for the Risk function at Oakley Capital, a VC and PE investment house, he previously held a managing position within Spain's second Unicorn, Glovo in Barcelona. Other experiences include: supporting Blackstone's sale of Logicor (where he set up the Treasury function), before joining the holding company of cyber security company seeded by Francisco Partner before being sold to a Buyout PE.

Earlier in his career, Antoine joined BNP Paribas CIB's Graduate program and worked on the bank's trading floor, in risk management.

OTHER INFORMATION

OFFICE HOURS: Available by appointment upon request.

CODE OF CONDUCT IN CLASS

1. Be on time: Students arriving more than 5 minutes late will be marked as "Absent". Only

students that notify in advance in writing that they will be late for a specific session may be granted an exception (at the discretion of the professor).

2. If applicable, bring your name card and strictly follow the seating chart. It helps faculty members and fellow students learn your names.
3. Do not leave the room during the lecture: Students are not allowed to leave the room during lectures. If a student leaves the room during lectures, he/she will not be allowed to re-enter and, therefore, will be marked as "Absent". Only students that notify that they have a special reason to leave the session early will be granted an exception (at the discretion of the professor).
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5. Use your laptop for course-related purposes only. The use of laptops during lectures must be authorized by the professor. The use of Social Media or accessing any type of content not related to the lecture is penalized. The student will be asked to leave the room and, consequently, will be marked as "Absent".
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UNDERSTANDING ECONOMICS FROM SPORTS

IE University

Professor: **MIGUEL PANIAGUA**

E-mail: mapaniagua@faculty.ie.edu

Academic year: 23-24

Degree course: THIRD

Semester: 2^o

Category: OPTIONAL

Number of credits: 3.0

Language: English

PREREQUISITES

Previous knowledge of the matter for the correct development of the learning process is not necessary.

SUBJECT DESCRIPTION

The brand-new “Understanding Economics from Sports” focuses on the business of sports. Business models in sports will be analyzed as well as a Case study that covers a broad spectrum of subjects such as economy, marketing, branding, and advertising. Finally, the Elective will focus on the industry of football (soccer) the most popular sport in the current times.

OBJECTIVES AND SKILLS

The student will learn the culture of traditional sports and esports: its audience and fan base as well as familiarize himself with the different game genres that conform the microcosmos of the esports new industry. The student will acquire the necessary tools to learn how both traditional sports and esports work.

METHODOLOGY

Teaching methodology	Weighting	Estimated time a student should dedicate to prepare for and participate in
Lectures	46.67 %	35 hours
Discussions	13.33 %	10 hours
Exercises	13.33 %	10 hours
Group work	13.33 %	10 hours
Other individual studying	13.33 %	10 hours
TOTAL	100.0 %	75 hours

PROGRAM

SESSION 1 (LIVE IN-PERSON)

“The NBA Business Model”: The origins. A league that almost died.

SESSION 2 (LIVE IN-PERSON)

“The NBA Business Model”: The Magic Bird Era.

SESSION 3 (LIVE IN-PERSON)

“The NBA Business Model”: A global sport: The impact of Michael Jordan and the Dream Team.

SESSION 4 (LIVE IN-PERSON)

“The NBA Business Model”: The best business model in the world of sports. (Class with Mr. Jesús Bueno, NBA Vice-president for Europe & Middle East).

Students will make a presentation about the creation of a new expansion team in the NBA.

SESSION 5 (LIVE IN-PERSON)

“The NBA Business Model”: The future of the NBA.

Students will make a presentation about the threats to the NBA Business Model (Declining Tv ratings, age of the audience, new industries invading the territory traditionally owned by mainstream sports...)

SESSION 6 (LIVE IN-PERSON)

“The Nike-Michael Jordan Case”: The beginnings of the “swoosh”. Adidas as the eternal enemy.

SESSION 7 (LIVE IN-PERSON)

“The Nike-Michael Jordan Case”: Michael Jordan, the athlete as the new driver in the world of sports.

SESSION 8 (LIVE IN-PERSON)

“The Nike-Michael Jordan Case”: Nike-MJ: The perfect symbiosis.

SESSION 9 (LIVE IN-PERSON)

“The Nike-Michael Jordan Case”: Understanding the importance of advertising in the Nike-Michael Jordan Case (Class with Mr. Juan Manuel de la Nuez, former CEO of *SCPF, the number one independent advertising agency in Europe. Former CEO of Wunderman-Thompson Ad Agency)

Students will make a presentation about advertising for Nike.

SESSION 10 (LIVE IN-PERSON)

“The Nike-Michael Jordan Case”: MJ never left the building. Will Nike (and Jordan Brand, its child company) continue their domination of the apparel industry by 2030?

Students will make a presentation about the past, the present and the future of one of the following companies: Nike, Jordan Brand, Adidas, Puma, Under Armour.

SESSION 11 (LIVE IN-PERSON)

Football/Soccer: The LFP (Liga de Futbol Profesional) business model. Class with Professor Miguel Angel Paniagua and a guest speaker.

SESSION 12 (LIVE IN-PERSON)

Football (soccer): The English Premier League business model. (A guest speaker from Manchester City FC)

SESSION 13 (LIVE IN-PERSON)

Football (soccer): The English Premier League: The fan experience. (A guest speaker from Arsenal FC)

SESSION 14 (LIVE IN-PERSON)

Football (soccer): Big Data in football. (Guest speaker from Dribblab, a Spanish Data Analysis consulting company).

Students will answer a few questions about this subject.

SESSION 15 (LIVE IN-PERSON)

Football (soccer). Students will be required to present a Case about FC Barcelona.

BIBLIOGRAPHY

Recommended

- Pete Croatto. *From Hang Time to Prime Time: Business, Entertainment and the Birth of the Modern N.B.A.*. Atria Books. ISBN 9781982103958 (Printed)
- Walter LaFeber. *Michael Jordan and the New Global Capitalism*. WW Norton & Co. ISBN 0393323692 (Digital)
- Joshua Mendelsohn. *The Cap: How Larry Fleisher and David Stern Built the Modern NBA*. University of Nebraska Press. ISBN 1496218787 (Printed)
- Michael Lewis. (2004). *Moneyball: The Art of Winning an Unfair Game*. Reprint Edition. W W Norton & Co. ISBN 0393324818 (Printed)

EVALUATION CRITERIA

Final grades in the course will be based on both individual and group work of different characteristics that will be weighted in the following way:

Criteria	Percentage	Comments
Class Participation	20 %	
Group Presentation	50 %	Five group presentations and reports
Individual Work	30 %	Bullet questions about sports models.

GENERAL OBSERVATIONS

Each student has four attempts over two consecutive academic years to pass this course.

For every BIE Program mandatory class, students are required to obtain the minimum grade of 5 required to pass the course. Students whose grade in the Final Exam (or the largest assignment) is below 5 will fail the course. The rule applies to whichever assignment carries the greatest weight to the final grade. Dates and location of the final exam will be posted in advance and will not be changed.

Students must attend at least 70% of the sessions. Students who do not comply with the 70% attendance rule will receive a 0.0 on their first and second attempts and go directly to the third one (they will need to enroll in this course again the following academic year).

Students who are in the third or fourth attempt must contact the professor during the first two weeks of the course.

ATTENDANCE

Attendance is mandatory at IE University, as it is an essential factor of IE's learning methodology. While we do closely monitor attendance in each course, we also consider our students responsible for their own agenda and commitments, as adult university students. With that in mind, each student may miss up to 30% of the sessions within a given course and still maintain the possibility of passing that given course. This 30% "buffer" is to be used for any absences, such as: illnesses, personal emergencies, commitments, official/governmental matters, business and/or medical appointments, family situations, etc. Students should manage their various needs, and situations that may arise, within that 30% buffer. If a student is absent to more than the allowed 30% of the sessions (regardless of the reason), s/he will obtain a 0.0 grade for that course in both the ordinary and extraordinary calls of the current academic year, and s/he will have to retake the course during the following academic year.

Please pay close attention to your attendance. The program strongly encourages attending 100% of the sessions as it will improve your learning outcomes, it will increase the class performance and it will benefit your participation grade. Noncompliance with deadlines for Non-Classroom Learning activities or assignments will result in an absence for the session.

Extreme cases involving emergencies such as: extended hospitalizations, accidents, serious illnesses and other cases of force majeure, are to be consulted with the Program Management (bir.biemadrid@ie.edu) for assessment of the situation and corresponding documentation, in order to support and guide each student optimally.

RETAKE POLICY

Any student whose weighted final grade is below 5 will be required to sit for the retake exam to pass the course (except those not complying with the attendance rules, whom are banned from this possibility).

Grading for retakes will be subject to the following rules:

- The retakes will consist of a comprehensive exam or equivalent assignment. The grade will depend only on the performance on this exam; continuous evaluation over the semester will not be taken into account.
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PROFESSOR BIO

Professor: **MIGUEL PANIAGUA**

E-mail: mapaniagua@faculty.ie.edu

Professor Miguel A. Paniagua is one of the biggest Spanish experts on US sports. He has developed a very successful career both as a sports journalist and as a sports manager for the last three decades. He has been a key component in many recent Spanish sports radio shows, such as "Carrusel Deportivo", "El Larguero", or "Tiempo de Juego", where he is nicknamed "El profesor". His articles have appeared in prestigious Spanish and US publications, such as El País or Sports Illustrated.

- Office hours: In order to provide feedback and respond to any doubts Professor Miguel A. Paniagua will be available from xx.xx to xx:xx on class day.
- Contact details: mapaniagua@faculty.ie.edu

OTHER INFORMATION

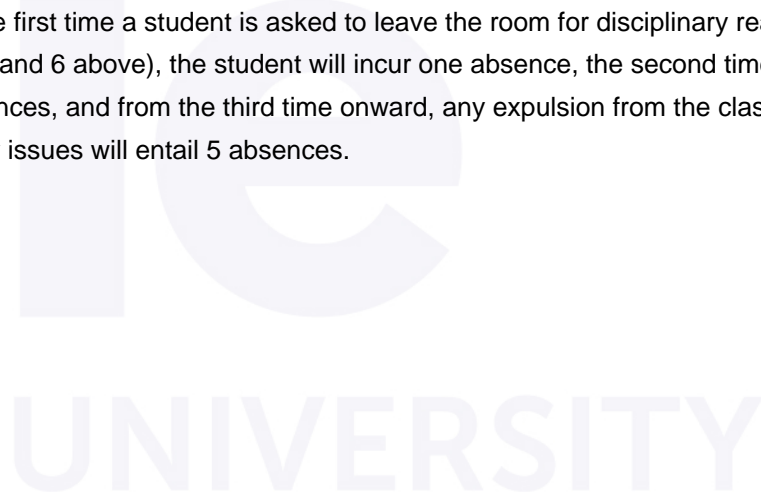
In this course, and for the esports part of the Elective, Professor Miguel A. Paniagua will be assisted by Dr. Marcos Anton, journalist and a highly respected expert in the investigative field of the esports industry. Professor Paniagua will also be assisted by Mr. Fernando Cardenete, esports expert from Mediapro, a well known Spanish multimedia group. Mr. Cardenete is also a widely recognized figure in the esports world.

CODE OF CONDUCT IN CLASS

1. Be on time. Students arriving more than 5 minutes late will be marked as "Absent". Only students that notify in advance in writing that they will be late for a specific session may be granted an exception (at the discretion of the professor). Students attending online must always have their cameras on during the session or risk being marked absent.
2. If applicable, bring your name card and strictly follow the seating chart. It helps faculty members and fellow students learn your names.
3. Do not leave the room during the lecture: Students are not allowed to leave the room during lectures. If a student leaves the room during lectures, he/she will not be allowed to re-enter

and, therefore, will be marked as “Absent”. Only students that notify that they have a special reason to leave the session early will be granted an exception (at the discretion of the professor).

4. Do not engage in side conversation. As a sign of respect toward the person presenting the lecture (the teacher as well as fellow students), side conversations are not allowed. If you have a question, raise your hand and ask it. If you do not want to ask it during the lecture, feel free to approach your teacher after class. If a student is disrupting the flow of the lecture, he/she will be asked to leave the classroom and, consequently, will be marked as “Absent”.
5. Use your laptop for course-related purposes only. The use of laptops during lectures must be authorized by the professor. The use of Social Media or accessing any type of content not related to the lecture is penalized. The student will be asked to leave the room and, consequently, will be marked as “Absent”.
6. No cellular phones: IE University implements a “Phone-free Classroom” policy and, therefore, the use of phones, tablets, etc. is forbidden inside the classroom. Failing to abide by this rule entails expulsion from the room and will be counted as one absence.
7. Escalation policy: 1/3/5. Items 4, 5, and 6 above entail expulsion from the classroom and the consequent marking of the student as “Absent.” IE University implements an “escalation policy”: The first time a student is asked to leave the room for disciplinary reasons (as per items 4, 5, and 6 above), the student will incur one absence, the second time it will count as three absences, and from the third time onward, any expulsion from the classroom due to disciplinary issues will entail 5 absences.



INTERNSHIP

IE University

Professor: **ANTONELLA FAZIO**

E-mail: afazio@faculty.ie.edu

Academic year: 23-24

Degree course: THIRD

Semester: 2nd

Category: OPTIONAL

Number of credits: from 6 to 30

Language: English

PREREQUISITES

IE University and the partner organization hosting the internship must sign an Educational Cooperation Agreement prior to the start of the internship.

The Agreement outlines the relationship between the student, the collaborating organization, and the University. The Agreement must be followed, whether the internship was obtained through the IE Careers department or directly by the student.

The student may not do the internship at an organization where he/she has a prior or current contractual relationship or a close family connection, played a founding role, holds shares, or retains any ownership.

IE University cannot sign an Educational Cooperation Agreement if the internship is scheduled to end more than two months after the student's expected graduation date (if, for instance, the student is expected to finish in July of their 4th year, the internship could not continue after the 30th of September).

If the internship takes place outside of the Spanish territory, the student must inform the University at least (15) days prior to departure so insurance can be arranged.

Some countries require visas for curricular internships. In such cases it is the student's responsibility to research and obtain the visa, although the Student Services Office may provide support. IE University and the partner organization hosting the internship must sign an Educational Cooperation Agreement prior to the start of the internship.

The Agreement outlines the relationship between the student, the collaborating organization, and the University. The Agreement must be followed, whether the internship was obtained through the IE Careers department or directly by the student.

SUBJECT DESCRIPTION

Curricular internships are considered part of the students' academic training and are supervised by the university. They are designed to give students the opportunity to apply the knowledge and skills they have acquired during their course work in a professional context, to learn the working practices of a professional organization, and to be exposed to real-life business activities and situations. The curricular internship helps prepare students for future professional activities, facilitates their employability, and promotes their entrepreneurial abilities.

The internship is considered an elective course. The student may choose among the following options (the student may work more hours if the student, the professional tutor, and the academic tutor agree):

- A 6 ECTS internship, requiring a minimum of 180 hours of work
- A 15 ECTS internship, requiring a minimum of 450 hours of work
- An 18 ECTS internship, requiring a minimum of 540 hours of work
- A 30 ECTS internship, requiring a minimum of 900 hours of work

Curricular internships should be carried out during the last final semesters of the last academic year of the Program when their elective credits are allocated. However, students may begin their internships as early as the end of the previous academic year to complete the hours necessary to obtain the number of credits they have selected.

OBJECTIVES AND SKILLS

- Deepen and apply knowledge and skills previously acquired studied in coursework
- Specialize in a specific area within the field of Economy
- Become familiar with different methods of analysis
- Apply theoretical knowledge in a professional context

METHODOLOGY

The student is responsible for carrying out the curricular internship according to the rules laid out in the Educational Cooperation Agreement, and in accordance with the general policies of IE University and of the collaborating organization, including but not limited to all policies related to respect and confidentiality.

At the beginning of the internship, the student will join the collaborating organization at the agreed upon date. Thereafter, he or she will comply with the agreed upon schedule, in accordance with the attendance policy established in the Educational Cooperation Agreement.

The collaborating organization will assign a professional tutor who will be responsible for supporting, supervising, and evaluating the student in the professional context throughout the internship. The professional tutor will provide assistance to the student to resolve issues of a professional nature that are relevant to the fulfillment of the internship.

IE University will assign an academic tutor to provide academic support for the student over the course of the internship. The professional tutor and the academic tutor will coordinate the activities established in the Educational Cooperation Agreement, including any necessary adjustments.

Throughout the internship, the student will maintain contact with the academic tutor according to the procedure proposed by the tutor at the beginning of the internship and will communicate any issues that might arise during the internship.

The student's performance and development in the internship will be evaluated through a final evaluation report completed by the professional tutor, as well as a midterm essay and a final reflective essay graded by the academic tutor. The number of hours dedicated to the different activities below will depend on whether the student is doing the internship for 6, 2, 5, or credits.

Please consult the Additional Documentation section of your online Campus to take a look at the expected distribution of your workload during your internship.

Teaching methodology	Weighting	Estimated time a student should dedicate to prepare for and participate in
Lectures	0.0%	0 hours
Discussions	0.0%	0 hours
Exercises	0.0%	0 hours
Group work	0.0%	0 hours
Other individual studying	0.0%	0 hours
TOTAL	0.0%	450 hours

PROGRAM

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SESSION 2

SESSION 3

SESSION 4

SESSION 5

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EVALUATION CRITERIA

0% -Midterm Reflection Essay.

The Midterm questionnaire is a touchpoint that confirms that the first half of the internships is following the contract details. As such it should cover answer the following:

- Why did you choose this internship?
- What were your expectations prior to beginning the internship? In what ways has your experience aligned with or diverged from those expectations?
- What have you learned so far and what challenges have you faced?
- How can you apply specific concepts and skills from your course work to what you are experiencing during the internship?
- What are your goals for the remainder of the internship?

50% -Final Reflection Essay. An 8-10page 12-pt font double-spaced analytical reflection evaluated by the academic tutor.

The Final Reflection Essay picks the Midterm structure asking the student to reflect on their growth and experiences for at least 8 pages report and on their experience in the internship overall. As such it should cover answer the following:

- What additional skills or knowledge did you develop in this internship since you wrote the mid-term essay?
- In what ways apart from those discussed in the previous essay can you apply specific concepts and skills from your course work to what you are experiencing the internship?
- What were some of the challenges that you came across in the internship? How did you address them and what did you learn in the process?
- How do you think your experience in this internship will affect your future professional or academic path?
- Overall, how would you change your experience and how were you changed by it?

50% -Professional Evaluation. A report providing an overall evaluation of the student's work performance by the professional tutor.

Obtaining a "Fail" grade.

The academic tutor may give the student a failing grade in the ordinary call in the following cases:

- 1 If the final essay does not meet the minimum requirements or if the evaluation of the collaborating organization does not justify a passing grade.
- 2 If the student fails to deliver the midterm and or final essays or any other documentation required by the academic tutor on time and under the conditions specified without a justified cause.
- 3 If the student fails to show up for work the minimum of hours agreed with the professional tutor or to deliver the scheduled essays by the agreed deadlines. If the student cannot fulfill the agreed

upon schedule because of illness and/or IE policy for justified absences such absences must be justified with proper documentation to both professional and academic tutors.

4 Furthermore, students will receive a failing grade if they fail to meet their agreed-upon obligations with the collaborating institution including but not limited to those regarding attendance schedule responsibilities confidentiality or other internal rules.

Students will fail their corresponding credit load in the following cases:

- The student is made redundant by the collaborating institution due to breach of contractual obligations.
- The student decides to end their internship before the completion date specified in the Agreement or prior to fulfilling the number of hours needed to receive the corresponding credits. It is of foremost importance that any issues faced by the student be communicated to the Professional Tutor prior to student's informing the collaborating institution of their desire to resign.
- The student fails to start a previously confirmed mandatory curricular internship.

Criteria	Percentage	Comments
Individual Work	0%	Midterm Reflection Essay
Final Exam	0%	Final Reflection Essay
Other	0%	Professional Evaluation

PROFESSOR BIO

ANTONELLA FAZIO

Antonella Fazio currently works at IE Business school in a research project on illegal pharma. She studied Economics (BA and MA). She completed her PhD in History at the European University Institute focusing on economic history. She has also been a postdoctoral researcher in the department of Economics of the Universidad de los Andes and at SMAG and CriDIS at Université Catholique de Louvain (UCL – Belgium) and has been an adjunct professor in economics. For several years she was a researcher at the Center of Economic development, Universidad de los Andes. Antonella has a special interest in empirical research and quantitative methods. Her research interests include political and social economy, development and economic and business history. Before working at IE, she joined the European Parliament within the Robert Schuman traineeship program. Previously, she has worked as economic advisor at the City Council of Bogota as well as in an EU Legal Consultancy based in Brussels.

Professor ANTONELLA FAZIO

E-mail afazio@faculty.ie.edu

OTHER INFORMATION

If you wish to contact me or arrange a meeting use my email address afazio@faculty.ie.edu