

Syllabus

Course description

Course title	CORPORATE RESTRUCTURING MERGERS AND ACQUISITIONS
Courses code	25416-25417
Scientific sector	SECS-P/09
Degree	LM-77 Master in Accounting and Finance
Semester and academic year	1st semester 2023-2024
Year	2
Credits	6
Modular	No

Total lecturing hours	36
Total lab hours	-
Total exercise hours	-
Attendance	<p>Highly recommended.</p> <p>Student planning to regularly attend course, must register through UNIBZ course OLE (Open Learning Environment) platform <u>as attending student</u> in order to be able to actively participate at lectures, case study discussions and other classroom related activities.</p> <p>The course OLE platform self-enrolment key that is adopted every year is RMAyyyy, where yyyy refers to academic year when course is taught. Thus, for the academic year 2023/2024 will be RMA2024. Student not attending course must register through UNIBZ OLE platform <u>as not attending student</u> in order to be able to download teaching material required to study for final exam preparation.</p> <p>The most important aspect of distinguishing attending from not attending students is the assessment modality (see below). Attending students are assessed through a mixture of class participation and a final exam test, whereas not attending students are assessed only through a final exam test. To this end, attending student course participation is an essential part of their overall valuation and they cannot be absent more than two sessions with proper justification. If an attending student miss more than two sessions she/he will not be allowed to be assessed through the described mixture and she/he can only be evaluated through a final exam test. Please notice that attending student participation will be enforced.</p>

Prerequisites	Undergraduate introductory courses in finance, and in addition graduate/master level first year class in Advanced Corporate Finance.
Course page	https://www.unibz.it/en/faculties/economics-management/master-accounting-finance/study-plan-finance-and-financial-markets/

Specific educational objectives	<p>Corporate Restructuring: Mergers and Acquisitions (RMA) is a second-year course for students attending the M.Sc. in Accounting and Finance. RMA is a graduate course designed to provide the student with an advanced background on corporate restructuring activities. The course has two sections, and each section has background sessions and selected case studies and/or in-class analytical problems and simulations. Section 1 will focus on Restructuring for growth, with Mergers and Acquisitions (M&A) being the main topic. M&A are often an integral component of external growth strategy of many firms. M&A are intended to assist in achieving or maintaining a competitive advantage by anticipating and adjusting to change. Firm or sector changes are usually observed because of some fundamental shock. Research Literature has found several important shocks that motivate and sometime force corporate restructuring via M&A. Important examples are technology advancements, deregulation, and financial innovation. In this section students will learn to compare costs, risks and benefits by combining firms or business segments. This part of class is crucial as there have been many successful M&A, but at the same time there have been a troublingly high number of M&A failures. By examining the reasons of successful and failed M&A students will learn a great deal on how to design deals when a firm wish to growth through an external strategy to adjust to a new competitive environment.</p> <p>Section 2 will focus on Restructuring for Exit, and main topics will be how to design and execute transactions such as Divestitures, Spin-offs, and Carve-outs. These transactions are intended to change the firm's scope, by refocusing to core business or breaking up from unprofitable activities. Again, on these type of restructuring transactions we'll employ similar valuation, risk, and costs and benefits analyses we examined in M&A.</p> <p>Corporate Restructuring Mergers and Acquisitions main educational objectives are to provide students with a sound understanding of illustrated topics and</p>
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	<p>be able to analyze and respond to questions such as:</p> <ul style="list-style-type: none"> a) How should an analyst or investor or manager understand M&A activity? Is Economics and Finance sufficient, or do we need to know the underlying psychology of involved players? b) What are the main drivers of success in M&A and other restructurings? c) What are the most important details and deal characteristics we need to know to understand whether a merger, an acquisition or a break-up decision will work? d) How important are external advisors such as lawyers, investment bankers, accountants, in restructuring activities?
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Lecturer	<p>Maurizio Murgia Office SER E501 Tel. 0471/013110 maurizio.murgia@unibz.it https://www.mauriziomurgia.com</p>
Lecturer Scientific sector	13/B4 - SECS-P/11 – Economics of Financial Intermediaries and Financial Markets
Teaching language	English
Office hours	18 Please refer to the lecturer’s web page
Lecturing assistant	-
Teaching assistant	-
Office hours	-
List of topics covered	<p>The main subject areas covered in the course are: The costs and benefits of M&A and other restructuring transactions such as divestitures, and spinoffs. Valuation and deal techniques to assist corporate restructuring. The influence of taxes, agency issues and legal aspects in designing efficient corporate restructuring.</p>
Teaching format	<p>Classroom activity will alternate background lectures, exercises, case study sessions, and merger and acquisition deal simulations. Students are encouraged to follow the M&A activity that is reported in the press during the classroom time and bring up issues and events associated with material covered in class. However, please coordinate with Instructor in advance.</p>

Learning outcomes	<p>LEARNING OUTCOMES: Knowledge and understanding:</p>
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- Knowledge and understanding of the methodologies necessary for analyzing and compare alternative restructuring activities, from M&A that are intended to increase size and complexity to break-ups decisions such as selling or spinning or splitting off assets to reduce size or make more efficient corporate asset organization. These methods encompass valuation, risk analysis and forecasting under uncertainty. Students will learn how to compare the costs and benefits of alternative restructuring solutions and be able to propose and defend them.

Applying knowledge and understanding:

- Ability to use modern finance theory, financial models, statistical and analysis applied to M&A and restructuring decisions. Understanding how financial markets and intermediaries work for complete M&A and restructuring deals. The course combines the latest academic thinking with hands-on business practice and its main goal is that attending students should develop by the end of classroom activity an expanded ability to analyze and think about sound M&A and restructuring decisions, and to defend these decisions with analytical reasoning.

This course will use a combination of lectures, technical notes, outside readings, case discussions, and online simulations to study corporate restructuring and M&A. Class participation and active discussion is both expected and encouraged. Students are expected to have thoroughly read all the assigned material in advance of the class to ensure better understanding of the issues involved and to have meaningful class participation. Students should carefully read and be prepared to discuss all assigned cases. Students should expect to work intensively outside of class time and to prepare an average of one case study per week. Each case will come with guideline questions. Case studies and supplemental readings (to be found in the library course shelf and Online Reserve Collection) are detailed in the course outline. I frequently ask for volunteers as well as I make cold call, even though students could dislike. Students are encouraged to follow the M&A activity that is reported in the press during the classroom time and bring up issues and events associated with material covered in class. However, please coordinate with Instructor in advance.

Assessment	<p><u>Attending Students</u></p> <p>Student final grade will be a mixture of class participation and case study discussions (35%), final exam (65%). Please note that class participation grade is valid for one academic year and cannot be carried over beyond that time.</p> <p><u>Not Attending Students</u></p> <p>Not attending students will be assessed through a final exam test (100%) that covers all course material.</p>
Assessment language	<p>English</p>
Evaluation criteria and criteria for awarding marks	<p>Final exam is a written test conducted through laptop provided by Unibz ICT services. Students are allowed to access MS-Office software only. Personal electronic devices are prohibited, and quality of written English (C- level) is essential to earn the passing grade.</p>
Required readings	<p>Donald M. DePamphilis, Mergers, Acquisitions, and Other Restructuring Activities, 9th/10th edition, Elsevier/Academic Press (Required Chapters: 1-3-4-5-7-10-11-13-16).</p> <p>Some further readings and notes could be handed out in advance of specific class sessions.</p>
Supplementary readings	<p>Teaching Slides and case studies to be downloaded from course UNIBZ OLE Platform. Some further case study could be handed out during class sessions.</p>