



**Advanced Corporate Finance BusFin 7800**  
Professor Chad D. Zipfel (zipfel.4@osu.edu)  
4 sessions in Nov/Dec 21 (Updated: Sept 13, 2021)

**I.) Faculty Profile**

Chad Zipfel joined the full-time faculty at the Fisher College of Business after more than a decade in progressive Finance leadership positions. Prior to his appointment at Ohio State, Chad led the turnaround of The Oneida Group out of bankruptcy: rebuilding a new Finance organization, reducing inventory, enacting price increases, and refinancing the Company's capital structure. Prior to that, Chad delivered top-rated results at L Brands and Procter & Gamble in diverse capacities and locations: ranging from FP&A, Corporate Finance, M&A, Innovation, Sales, and Supply Chain.

During his time at Ohio State, Professor Zipfel has made an impact across a variety of Finance courses, emphasizing experiential learning and practical application in multiple industry settings. Chad consistently delivers new and innovative trainings for the Executive Education program, while also redesigning/creating new courses; leading to recognition from the Michael V. Drake Institute for Teaching and Learning. Chad has also been the recipient of teaching awards while at The Ohio State University, including the Max M. Fisher Faculty Eminence Award (selected as the top faculty by graduating Seniors) and Faculty of the Year by various Fisher Student Organizations.

Outside of teaching, Chad stays engaged in the business world through a variety of means. He is the active founder of F.A.S.T. Consulting LLC: specializing in Finance and Strategy transformations focused on small businesses and CPG companies. He currently sits on the Board of a VC-backed start-up and continues to be active in the non-profit space with numerous Board positions.

**II.) Course Description**

The objective of this course is three-fold: I.) share best practices for working capital management and proper financial planning in the macro and micro sense II.) provide a financial economics-oriented framework for analyzing acquisitions and divestitures; understand how corporate governance affects firm value and performance; share best practices for divesting assets III.) provide deeper understanding of bankruptcy and plan of reorganization processes

The approach taken to analyze and solve problems in this course is one of applied financial economics tied to relevant issues impacting companies in this post COVID environment. Throughout the course we will study tools of financial analysis and apply them to important problems. However, when traditional financial economics does not adequately address a topic that is important to our understanding, we will move beyond its boundaries. The course material stresses the importance of theory in solving problems and combines theory development with examples, case analyses, and a simulation that illuminates and challenges the theory.

Readings, cases, articles, and pre-assigned study questions will form the basis of class discussions. Also, I may be handing out additional material such as problems, notes, topical articles and examples when appropriate. Typically, students comprehend much of the material without substantial lecturing by the instructor. Thus, while there will be some lectures on the more important and/or difficult material, most of our class time will be spent applying the theory and concepts to problems through open, interactive classroom discussion.

**III.) Learning Objectives**

11/4/2021 morning session

1. Understand how a firm's value is linked to cash flow in balance with revenue and margin expansion.
2. Learn tools to track and improve working capital (specifically Receivables, Payables, and Inventory).
3. Via Competitive Team Simulation: See how business decisions can impact value of firm and how a high NPV project may not be feasible based on funding constraints.
4. Gain a deeper understanding for how firms build and use profit and cash forecasts to make decisions.

11/5/2021 morning session

1. Develop an understanding of the global market for mergers and acquisitions.
2. Via Team Case: Learn how complex mergers and acquisitions are valued, priced and structured.

3. Understand the role of corporate governance, particularly the role of the board of directors, in Acquisition and Divestiture (A&D) activity.
4. Learn how the risk associated with mergers and acquisitions is assessed and about tools and approaches to manage this risk.
5. Learn best practices for how Companies divest assets to maximize shareholder value.

#### 12/9/2021 morning session

1. Understand current events related to bankruptcy/restructuring, leveraging earlier sessions to minimize risk.
2. Share other types of restructuring activities that don't result in bankruptcy (i.e. operational changes).
3. Learn more on the bankruptcy process and how all involved parties use a plan of reorganization to facilitate the process.

#### 12/10/2021 morning session

1. Via Team Role-playing exercise: analyze and prepare your team's case for the decisions your selected character should make to maximize value for their Firm.
2. Debrief on roleplaying exercise and link learnings to other outcomes in real situations.
3. Open Q&A for any strategy/finance/operations topics that participants want to address.

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### Words to the Wise (read carefully to save yourself a lot of time and trouble)

**- Preparation:** There is a good bit of reading, two individual assignments, two cases to read (one of which requires significant analysis/recommendations) and a simulation that requires pre-work. I strongly recommend that you **begin preparing sooner rather than later**, and I have provided estimated time requirements in the separate "Assignments" file on Carmen.

**-Spreadsheet tools:** Properly assessing and understanding financial decisions requires quantitative analysis. We cannot simply pontificate about what might or might not be so and then make decisions. **There are a number of spreadsheet tools that I will post to assist you with your analysis. Do not forget to use them.** In these spreadsheets, a lot of work has been done for you, so using them will reduce your preparation time substantially. I know that not everyone is completely comfortable with excel, thus **I recommend that you identify the excel guru on your team and ask that person to preview the spreadsheet tools and support the rest of the team in using them.** I am also available to answer any questions should your guru become confused. The tools are not always perfect, but I do my best.

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## IV.) Student Evaluation

The final course grade will be computed according to the following:

<u>Graded Material</u>	<u>Due Date</u>	<u>% of Grade</u>
A&D, Bankruptcy, Restructuring "in the news" assignment (Individual)	10/28/2021	15%
Canadian Pacific's Bid for Norfolk Southern (Team)	11/3/2021	25%
Working Capital Simulation results/reflection (Team)	11/11/2021	20%
Pinewood Mobile Restructuring Roleplaying Case/Simulation (Team)	12/10/2021	20%
Quality class engagement (Individual)	ongoing	10%
Course reflection and feedback assignment (Individual)	12/17/2021	10%

The following are the fundamental principles for assignments and grading in this course:

- The requirements of the course are identical for everyone. This means it is not possible to make up for poor performance through extra credit work.

- Assignments and related deadlines cannot be rescheduled except under circumstances of extreme hardship as defined by departmental policy.
- It is possible to earn any of the official OSU grades, from A to E, in this course.
- Sometimes alleged cases of academic misconduct arise due to apparent confusion over the degree of collaboration allowed on assignments. University policy clearly states that it is each student's responsibility to resolve issues that appear ambiguous directly with the faculty member.
- Grades are intended to reflect the overall quality of performance of the student(s). If you think your grade on an exam or assignment does not reflect the quality of your performance, submit a clear written explanation of your reasoning **within one week after the return of your assignment or test**. The written document need not be long, but must clearly identify the problem or issue of concern. I will carefully consider all such appeals. **There will be no grading appeals or changes in marks after the one-week deadline has passed.**

### **Individual assignments**

Your performance on individual assignments will constitute 25% of your grade. The "Assignments" document and the Carmen site will provide details. You must complete the individual assignment and submit it by the deadline. **Late assignments will receive significantly reduced credit.**

### **Team written case analysis/report**

The Canadian Pacific and Pinewood Mobile cases will constitute 45% of your grade. Reports should take the form of an executive memo and begin with a clear recommendation as to what the case protagonist should do given the situation presented in the case. The remainder of the report should present the rationale underlying the recommendation. It should be supported by facts and analysis. The discussion questions provided for the session are helpful in providing a guide to the issues that need to be addressed in coming to a recommendation.

Memos will be no more than three type written pages, with one-inch margins all around, using 11- or 12- point font and a minimum of 1.5 line spacing. You are free to attach additional pages of exhibits that provide supporting analysis. There is no limit as to the number of exhibits that can be attached but they must readable (by me), professional looking (not spreadsheet dumps) and be able to be understood as stand-alone exhibits. **Do not use a cover page.**

Deliverables associated with written case analyses/reports are due by the stated deadline. You will be required to upload an electronic copy to Carmen by the deadline. Be sure to have an extra copy for yourself to refer to in class discussion. **No late papers will be accepted.** Finally, written reports will be graded for presentation, writing and grammar as well as content. They must meet the standards that would be required in a professional work context.

### **Team simulation results and reflection**

The working capital simulation will constitute 20% of your grade. The "Assignments" document and the Carmen site will provide details. Your grade will be based on how your team performs in the simulation, along with your group debrief and analysis on why and how you arrived at your decisions.

To help address any free-rider issues that might arise in the context of teamwork, each team member will be asked to assess the contribution of his or her peers to the group. This will be a simple survey that has everyone grading their peers on a "below, meets, or exceeds expectations" scale. Should a substantive free-riding problem be identified, the free-rider's score will be accordingly discounted to reflect his or her lack of effort and contribution.

### **Individual quality class engagement**

Engagement before and during our sessions will constitute 10% of your grade. It will reflect my assessment of the quality of your contribution to the classroom discussion and your peers' assessment on the group assignments. To facilitate grading for class participation you should use your nameplate in every class. You should be prepared for cold calling in all class meetings.

Regular attendance and class participation are necessary, but not sufficient, for a student to receive one of the higher letter grades in this class. You should realize that the points awarded for class participation are sufficient to cost you a letter grade or more should you choose not to participate fully and regularly.

## **V.) University Academic Policies**

### **A. Academic Misconduct** (from <https://oaa.osu.edu/academic-integrity-and-misconduct/student-misconduct>)

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. In the Code of Student Conduct, Ohio State defines "academic misconduct" as "any activity that tends to compromise the academic integrity of the university or subvert the educational process." Cases of misconduct range from deliberate acts of cheating to unintended missteps, in which students fail to distinguish their work from someone else's. Thus, students are expected to complete all academic and scholarly assignments with fairness and honesty.

By university rule, a professor must report any suspected instance of academic misconduct to the Committee on Academic Misconduct (COAM). A review panel of the committee will investigate the charges; decide whether or not a violation has occurred; and, if the panel finds there has been an offense, determine an appropriate penalty.

The Fisher College of Business has moreover adopted an Honor Code which applies to all students pursuing Fisher degrees:

*As a member of the Fisher College of Business Community, I am personally committed to the highest standards of behavior. Honesty and integrity are the foundations from which I will measure my actions. I will hold myself accountable to adhere to those standards. As a future leader in the community and business environment, I pledge to live by these principles and celebrate those who share these ideals.*

### **B. Disability Accommodation** (from <https://slds.osu.edu/faculty-staff/syllabus-statement/>)

The University strives to make all learning experiences as accessible as possible. If you anticipate or experience academic barriers based on your disability (including mental health, chronic or temporary medical conditions), please let the professor know immediately so that options can be privately discussed between you and the professor. To establish reasonable accommodations, you may be requested to register with Student Life Disability Services. After registration, meet with the professor to discuss your accommodations so that they may be implemented in a timely fashion.

**SLDS contact information:** [slds@osu.edu](mailto:slds@osu.edu); 614-292-3307; [slds.osu.edu](https://slds.osu.edu); 098 Baker Hall, 113 W. 12<sup>th</sup> Avenue.