

Subject				
Evaluation's Methods of Business Projects				
ECTS code	Semester	Faculty: Finance		
	4	Major: Finance and Accounting		
		Corporate Finance and Accounting		
Faculty:				
Lecture: Justyna Dyduch, Ph.D.				
Classes: Justyna Dyduch, Ph.D.				
System of studies:				
full time, first degree				
Subject status	Pass requirement	Number of contact hours		ECTS points
		Lectures	Classes	
Elective course	Class test/Exam	15	30	5
Teaching language				
English				
Subject provisions and objectives (including the expected can-do of students on completion of the course)				
<p>The goal of the course is to enable students to have an understanding of the notion, elements and kinds of business projects and evaluation's methods of them, taking into account not only the perspective of an investor, but also social benefits and costs resulting from the projects. The main methods used for the financial analysis (payback period, accounting rate of return, break even point, net present value, net present value ratio, internal rate of return, profitability index), the economic analysis (economic net present value, economic rate of return, benefit-cost ratio) as well as the cost-effectiveness (dynamic generation cost, annualised costs, cost-effectiveness ratio of ecological effects) are among the topics covered. The guidelines and methods of appraisal of projects financed from the EU structural funds and the Cohesion Fund are also presented. At the completion of the course the students should be able to choose the proper evaluation's method for private and public projects and to calculate the ratios on the basis of which they can evaluate projects.</p>				
Teaching curriculum (in case of prescribed subjects, compliance with the standards, maximum 15 topics)				
<p>1.The term of business project, investment, investment project and kinds of business projects</p> <p>2. Static and dynamic evaluation's methods of business projects</p> <p>3. Financial analysis of business projects</p> <p>4. Cost-benefit analysis (economic analysis) of business projects</p> <p>5. Cost-effectiveness of business projects</p> <p>6. Multicriteria analysis of business projects</p> <p>7. Appraisal of business projects financed from the EU funds</p>				
Class topics (maximum 15 topics)				
Doing problem-solving exercises according to the lecture curriculum				
Introductory topic				
Microeconomics, Macroeconomics, Accounting, Finance				
Teaching methods				
Lecture, exercises, case studies, discussion				

Basic literature and other sources
<ol style="list-style-type: none"> 1. Boardman A.E., Greenberg D.H. et al., <i>Cost-benefit analysis. Concepts and practice</i>, Prentice Hall, New Jersey 2006. 2. Cooper D.A., Chapman C.B., <i>Risk analysis for large projects: models, methods and cases</i>, John Wiley & Sons, Chichester 1993. 3. Dayananda D., Irons R. et al, <i>Capital Budgeting. Financial Appraisal of Investment Projects</i>, Cambridge University Press, 2002 4. <i>Guide to cost-benefit analysis of investment projects. (Structural Fund – ERDF, Cohesion Fund and ISPA)</i>, prepared for: Evaluation Unit DG Regional Policy European Commission, 2008. 5. <i>Handbook of Appraisal of Environmental Project Financed from Public Funds</i>, Environmental Finance, OECD, 2007 6. Kurowski L., Sussman D., <i>Investment Project Design. A Guide to Financial and Economic Analysis with Constraints</i>, Wiley Finance 2011 7. Stanek R., <i>Economic and Environmental Criteria for Evaluating Investment Projects</i>, The Institute for Environmental Tax Reform, Warsaw 2003
Pass requirements for signature/examination
<p>Lecture: Students are assessed on the basis of the written exam at the end of the semester.</p> <p>Classes: Students are assessed on the basis of the test at the end of the semester (80%), as well as class participation and attendance (20%).</p>
Examples of questions for tests and examinations
<p>The equivalent of profitability index in the economic analysis is</p> <ul style="list-style-type: none"> • benefit-cost ratio • economic rate of return • economic profitability index • none of the above