OULU BUSINESS SCHOOL
www.oulubusinessschool.fi

Study Guide 2011-2012

Master’s Degree in Finance (MF)
Master’s Degree in International Business (IB)
Master’s Degree in Financial and Management Accounting (FMA)
Dear Students,

I wish you warmly welcome to study in Oulu Business School. This is a study guide for students studying in Master’s degree programmes in Finance, Financial and Management Accounting and International Business.

In this guide you will find important information concerning your studies i.e. course descriptions, institutional study customs, personnel contact information etc. However, it’s recommended that you will actively follow the web pages of Oulu Business School for further and updated information: http://www.oulubusinessschool.fi

On the behalf of the whole Faculty, I wish you a pleasant study year 2011-2012.

Oulu, July 5th 2011

Vuokko Iinatti
Director of Studies
Table of Contents

Oulu Business School......................................................................................................................... 4
  Contact Information ...................................................................................................................... 4
  Coordinators of the International Master’s Programmes.......................................................... 4
  Faculty Personnel ........................................................................................................................ 5
1. General Information about Studying in Oulu Business School............................................... 8
   1.1 Course Registration .............................................................................................................. 8
   1.2 Lectures ............................................................................................................................... 8
   1.3 Exams .................................................................................................................................. 8
   1.4 Grades .................................................................................................................................. 10
2. International Master’s Programme in Finance (MF)................................................................. 11
   2.1 Programme Outline ............................................................................................................ 12
   2.2 Schedule ............................................................................................................................. 13
   2.3 Course Descriptions ......................................................................................................... 14
3. International Master’s Programme in International Business (IB)............................................ 22
   3.1 Programme Outline ............................................................................................................ 23
   3.2 Schedule ............................................................................................................................. 24
   First Year Autumn .................................................................................................................... 24
   First Year Spring ...................................................................................................................... 24
   Second Year Autumn ............................................................................................................... 24
   Second Year Spring .................................................................................................................. 25
   3.3 Course Descriptions ......................................................................................................... 26
4. International Master’s Programme in Management and Financial Accounting (FMA) ............ 35
   4.1 Programme Outline ............................................................................................................ 36
   4.2 Schedule ............................................................................................................................. 37
   4.3 Course Descriptions ......................................................................................................... 38
Oulu Business School

**Contact Information**

Postal Address:
University of Oulu
Faculty of Economics and Business Administration
P.O. BOX 4600
90014 University of Oulu
FINLAND

Student Office:
Room TA109
Tel: +358 8 553 2905
Fax: +358 8 553 2906

Home Page:
www.oulubusinessschool.fi
Administration Contact information:
http://www.oulubusinessschool.fi/contact_us/administration
Faculty Contact Information:
http://www.oulubusinessschool.fi/contact_us/faculty_profiles

**Coordinators of the International Master’s Programmes**

<table>
<thead>
<tr>
<th>Programme</th>
<th>Name</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>Andrew Conlin</td>
<td>andrew.conlin(at)oulu.fi</td>
</tr>
<tr>
<td>International Business</td>
<td>Fan Wang</td>
<td>fan.wang(at)oulu.fi</td>
</tr>
<tr>
<td>Financial and Management</td>
<td>Anna Elsilä</td>
<td>anna.elsila(at)oulu.fi</td>
</tr>
<tr>
<td>Accounting</td>
<td>Merja Inget</td>
<td>merja.inget(at)oulu.fi</td>
</tr>
</tbody>
</table>
Faculty Personnel

Dean:
SAHLSTRÖM, Petri, Ph.D.
Dean of education:
N.N.
Dean of research:
PUHAKKA, Mikko, Ph.D.
Chief Administrator:
MAAMÄKI, Jukka, M.Sc.
Director of Studies:
IINATTI, Vuokko, M.Sc.

Coordinator of Studies
INGET, Merja, M.Sc.
Coordinator of Financial Management
KARJALAINEN, Pasi, D.Sc.
Coordinator of Data Banks
HENRY, Jarva, D.Sc.

Office:
BOZKURT, Liisa, Secretary, Student Affairs
HANNULA, Katja, Secretary, Student Affairs
HOLMBERG, Marketta, Secretary, Student Affairs
MALILA, Eeva, Personnel Secretary
NYLUND, Päivi, Departmental Secretary
REINIKKA, Leila, Financial Secretary

Professors:
AHOKANGAS, Petri, D.Sc., International Business
JUGA, Jari, D.Sc. Logistics
JUNTTILA, Juha, D.Sc., Economics
JÄRVINEN, Janne, D.Sc. Accounting
KAHRA, Hannu, Ph.D., Finance
KALLUNKI, Juha-Pekka, D.Sc. Accounting
KOIVUMÄKI, Timo, D.Sc., Marketing
MAINELA, Tuija, D.Sc., International Marketing
PERTTUNEN, Jukka, Ph.D., Finance
PUHAKKA, Mikko, Ph.D., Economics
PUHAKKA, Vesa, Ph.D., Management and Organisation
SAHLSTRÖM, Petri, Ph.D., Accounting
SALO, Jari, D.Sc., Marketing, Business Digitalization
SVENTO, Rauli, Ph.D., Economics
TÄHTINEN, Jaana, Ph.D., Marketing
ULKUNIEMI, Pauliina, D.Sc., Marketing

University lecturers:
ERIKSSON, Seppo, D.Sc., Accounting
LAARI-SALMELA, Sari, Ph.D., Management and Organisation
SARANIEMI, Saila, M.Sc., Marketing

University teachers:
HAAPANEN, Lauri, M.Sc., International Business
HUIKARI, Juha, M.Sc., Accounting
NIKKILÄ, Sakari, M.Sc., Marketing
PAJARI, Sauli, M.Sc., Project Manager, Entrepreneurship
PULKKINEN, Markku, LL.M., Company law

University researchers:
HURMELINNA-LAUHKANEN, Pia, Ph.D., Marketing
KORHONEN, Marko, D.Sc., Economics
LEHTINEN, Ulla, D.Tech., Logistics / International Business
NÄTTI, Satu, D.Sc., Marketing
PEKKARINEN, Saara, D.Sc., Logistics / Marketing
SANDHU, Masqood, D.Sc., Logistics / International Business
SIMONEN, Jaakko, D.Sc., Economics, SA’s Research Doctor project

Research Doctors:
JOENVÄÄRÄ, Juha, D.Sc., Finance
JUNTUNEN, Jouni, D.Sc., Logistics / Marketing
JUNTUNEN, Mari, D.Sc., Marketing
KOMULAINEN, Hanna, M.Sc., Marketing
KRYÖLÄINEN, Petri, D.Sc., Finance
LEHENKARI, Mirjam, D.Sc., Finance
LÄMSÄ, Tuija, D.Sc., Management and Organisation
MEEWELLA, John, Ph.D., Management and Organisation
MOILANEN, Sinikka, D.Sc. Accounting
POUTANEN, Hilkka, Ph.D. Management and Organisation

Doctoral students:
ALILA, Hanna, M.Sc., International Business
CONLIN, Andrew, M.Sc., Finance
ELSILÄ, Anna, M.Sc., Accounting
HAAPALAINEN, Tuomo, M.Sc., Finance
HENTTU-AHO, Tiina, M.Sc. Accounting
HUIKARI, Sanna, M.Sc., Economics
JUHO, Anita, M.Sc., International Marketing
KANTOLA, Hannele, M.Sc., Accounting
KAUPPINEN, Antti, M.Sc, Management and Organisation
KETTUNEN, Kerktu, M.Sc., MBA, Marketing
KOIVURANTA, Matti, M.Sc., MBA, Accounting
LEHTIMÄKI, Tuula, M.Sc., Marketing
MYLLYKOSKI, Jenni, M.Sc., International Business
MÄLÄSKÄ, Minna, M.Sc., Marketing
NUUITAINEN, Riikka, M.Sc., Economics
OIKARINEN, Eeva-Liisa, M.Sc., Marketing
OJANSIVU, Ilkka, M.Sc., Marketing
ORJASNIEMI, Seppo M.Sc., M.A, Economics
PALO, Teja, M.Sc., Marketing
PERNU, Elina, M.Sc., International Marketing
RUOPSA, Jukka, M.Sc., Management and Organisation
SÔNA, Marika, M.Sc., Management and Organisation
TAN, Irene, M.Sc., Accounting
TOLONEN, Pekka, M.Sc., Finance
UUSITALO, Marjut, M.Ed., International Marketing
VILMI, Lauri, M.Sc., Economics
VÄHÄKANGAS, Antti, M.Sc., Management and Organisation
WANG, Fan, M.Sc., International Business

Docents:
HILMOLA, Olli-Pekka, D.Sc., Logistics
JOHNSTON, Wesley J., PhD, Industrial Marketing and Sales Management
KELEMEN, Mihaela, PhD, Management and Organisation
KOIVUKANGAS, Pirjo, D.Sc., Health Economics
KOSKA, Erkki, D.Sc., Economics
KOSKI, Heli, D.Sc., Economics
LILJEKON, Eva, D.Sc., Finance
LUOMA, Esko, Ph.D., Entrepreneurship
MÄENPÄÄ, Ilmo, PhD., Economics
NENONEN, Tuomo, PhD, Economics
OHINMAA, Arto, D.Sc, Health Economics
PANULA, Juha, D.Sc. Marketing
SAVOLAINEN, Taina, D.Sc., Quality Management
SEPPÄNEN, Veikko, D.Sc., D.Tech., Marketing, Digital Business
TAALAS, Saara, D.Sc., Management and Organisation
TAHALONEN, Olli, D.Sc., Economics
TAKALO, Tuomas, D.Sc, Economics
VIERU, Markku, D.Sc., Accounting

Project staff:
HAKASALO, Henri, M.Sc., Project Manager, Management and Organisation
KALLIOPELA, Raimo, Project Manager
MORKO, Petri, Project Manager
SIPOLA, Sakari, M.Sc., Project Manager, Management and Organisation
TIILIKAINEN, Aaro, Ph.D., Project Manager, LogNet

Martti Ahtisaari Institute of Global Business and Economics
SEPPÄNEN, Veikko, D.Sc., D.Tech., Director
SOLO, Sauli, M.Sc., Development manager
ARO, Marja, M.Sc., Project coordinator
MIDDLETON, Alexandra, D.Sc., Research Doctor

Executive Education
HEIKKINEN, Pia, Coordinator
JAUJUKURI, Pirjo, B.Sc., Education coordinator
KAUPPILA, Antti, M.Sc., eMBA, Director of full-time MBA-programme
MARTTILA, Matti, Lis.Sc.(Econ.), Director of executive MBA-programme
1. General Information about Studying in Oulu Business School

1.1 Course Registration

Students need to register in WebOodi (https://weboodi.oulu.fi/oodi/) for each course and exam they are attending – even for courses that do not have lectures.

Registration for courses ends at 12.00 the previous day the course begins.

Registration for exams ends before 24.00 the previous Monday.

1.2 Lectures

There are four teaching periods during the study year 2011-2012:

Autumn semester:
Period A: 5.9.-21.10.2011 (weeks 36-42)

Spring Semester:
Period C: 9.1.-2.3.2012 (weeks 2-9)
Period D: 12.3.-18.5.2012 (weeks 11-20)

The period of each course is marked in the course descriptions (2.3, 3.3 and 4.3). However, it is really important to look at the accurate timetables from the web-pages:

http://www.oulibusinessschool.fi/studies/schedules

1.3 Exams

There are usually three exams (if there is an exam as an assessment) of each course during a calendar year. The first exam is usually organised in 2-4 weeks after the end of the lecture period. The second and third exams are then after 1-2 months. Students can take any of those exams.

The exam list is in the web pages:

http://www.oulibusinessschool.fi/studies/exams

Please remember to register for every exam in Weboodi.
RULES OF EXAMINATION

1. Faculty of Economics and Business administration’s examination time is usually **Thursday 8.00-12.00 AM**. Examination hall is usually **L1**.

2. You must **sign up** for the examination through WebOodi before 24.00 the previous Monday.

3. Come to the examination ahead of time. No one is permitted to enter examination hall after 08.15. Being late on purpose is very impolite towards others doing their exams. If you arrive late (before 08.15), do not disturb others.

4. When you enter examination hall, **close your mobile phone and leave your bag next to the walls**. In the exam, you can have with you pens, erasers, a pencil sharpener, a ruler and a non-programmable calculator, unless the examiner has announced otherwise. You may **not** bring snacks to the examination hall unless a medical condition requires you to do so. **No chatting is permitted in the examination hall**.

5. Look at the transparency to find out in which row your exam will be (hall L1). In the exam you sit in every other bench unless told otherwise by the supervisor. In the hall L3, the supervisors will tell you where to sit.

6. If you can use additional material in the exam, it will be stated in the question sheet.

7. Supervisors will move in the examination hall to keep order and to prevent possible cheating. If a student is suspected of cheating, the issue will be dealt with the Faculty administration after the exam.

8. If you have something to ask, raise your hand and wait for the supervisor to come to you. If you need more answering paper, you can get it from the supervisor.

9. Write your student number (you can find it in your student identity card) and date of birth in the answering sheets so your results can be recorded in OODI.

10. When you return your exam, please show a photo identification card without being asked to.

11. You can leave the examination hall earliest at 08.35.
12. The examination will always end at 12.00

1.4 Grades

Passed courses and Bachelor’s thesis are usually graded 1-5.

<table>
<thead>
<tr>
<th>Grade (ECTS)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 (A)</td>
<td>excellent</td>
</tr>
<tr>
<td>4 (B)</td>
<td>very good</td>
</tr>
<tr>
<td>3 (C)</td>
<td>good</td>
</tr>
<tr>
<td>2 (D)</td>
<td>satisfactory</td>
</tr>
<tr>
<td>1 (E)</td>
<td>sufficient</td>
</tr>
</tbody>
</table>

Master’s Thesis is graded with the same grading system as above (starting from the 1st of August 2011).
2. International Master's Programme in Finance (MF)

In the rapidly changing business world of today, there is a growing need for finance professionals who meet the high requirements set by firms operating in a demanding environment. In light of the recent worldwide financial crisis, both the private and public sectors are seeking well-educated finance professionals that can help to remedy the current situation and to reduce the effects of future crises.

The Faculty of Economics and Business Administration of the University of Oulu organizes a two-year Master's programme in Finance (MF) that will provide students with the skills and knowledge required by the various organizations that operate in the modern financial world.

The Master's Programme in Finance offers you a full two years of intensive studies that provide you with wide knowledge on asset pricing, portfolio management and portfolio performance evaluation, corporate finance and financial econometrics. The courses are specially designed to provide students with deeper knowledge of all the most important fields of finance. In addition, the courses familiarize you with a number of different research methodologies used in financial analysis.

The MF programme provides a master's degree of high international standards. The programme is designed for students with different university level backgrounds. As a minimum precondition, an applicant needs to have an appropriate Bachelor's (or similar) degree. The quantitative nature of the MF ideally suits those who have studied business, economics, natural sciences or engineering. MF is specially designed to provide students with a strong background for scientific research.
2.1 Programme Outline

Background Studies: B.Sc. minimum

A. Basic studies 25 ECTS

721361P Investments 5 ECTS
721178P Fundamentals of Corporate Finance 5 ECTS
721174P Financial Risk Management 5 ECTS
721362P Introduction to Financial Economics 5 ECTS

In addition choose one of the following:
721363P Introduction to Market Analysis 5 ECTS
721364P Introduction to Computational Finance 5 ECTS

B. Intermediate studies 20 ECTS

721370A Fixed Income Securities 5 ECTS
721199A Equity Markets 5 ECTS
721198A Derivative Securities 5 ECTS
721922A Theory of Corporate Finance 5 ECTS

C. 721924A Seminar in Finance 10 ECTS

D. Advanced studies

721952S Portfolio Management 6 ECTS
721951S Portfolio Performance Analysis 6 ECTS
721954S Financial Econometrics 6 ECTS
721383S Asset Pricing 6 ECTS
721956S Alternative Investments 6 ECTS

In addition choose one of the following:
721190S Advanced Firm Valuation 6 ECTS
721128S Corporate Governance 6 ECTS

E. 721950S Master’s Thesis in Finance 30 ECTS

Total: 121 ECTS
### 2.2 Schedule

#### First year autumn
- 721361P Investments
- 721178P Fundamentals of Corporate Finance
- 721362P Introduction to Financial Economics
- 721370A Fixed Income Securities
- 721924A Seminar in Finance

#### First year spring
- 721924A Seminar in Finance
- 721174P Financial Risk Management
- 721922A Theory of Corporate Finance
- 721199A Equity Markets
- 721198A Derivative Securities

  in addition; either Introduction to 721364P Computational Finance
  or 721363P Introduction to Market Analysis

#### Second year autumn
- 721950S Master’s Thesis in Finance
- 721952S Portfolio Management
- 721951S Portfolio Performance Analysis
- 721128S Corporate governance ***

#### Second year spring
- 721950S Master’s Thesis in Finance
- 721954S Financial Econometrics
- 721190S Advanced Firm Valuation ***
- 721383S Asset Pricing
- 721956S Alternative Investments

*** Only one of these courses is required.
2.3 Course Descriptions

721178P Fundamentals of Corporate Finance
Scope: 5 ECTS
Timing: A.
Objectives: Students will become familiar with capital budgeting and financial planning as well as understand the theoretical foundations of financial decisions of a corporation.
Contents: The course introduces students to the basic concepts of corporate finance: financial planning, capital budgeting, capital structure decisions, and dividend policy.
Working methods: 40 hours of lectures and exercises, independent studying of text books.
Assessment methods: Exam.
Grading: 1-5.
Responsible persons: Researcher Andrew Conlin
Language of instruction: English
Other information: Number of students is limited.

721361P Investments
Scope: 5 ECTS
Timing: B.
Objectives: Students will become familiar with the theoretical foundations of equity pricing and master the basic methods of modern portfolio theory.
Contents: The course introduces students to the basic concepts of capital markets and portfolio theory: the choice of optimal portfolio, capital market equilibrium models, and security valuation.
Working methods: 40 hours of lectures and exercises, independent studying of text books.
Assessment methods: Exam.
Grading: 1-5.
Responsible persons: Researcher Andrew Conlin
Language of instruction: English
Other information: Number of students is limited.

721174P Financial Risk Management
Scope: 5 ECTS
Timing: Period C.
Objective: Students will become familiar with the nature of financial risks and understand the basic methods of financial risk management.
Contents: The course introduces students to the basic concepts of financial risk management: evaluation and management of market risk, credit risk, and operational risk.
Working methods: 40 hours of lectures and exercises, independent studying of text books.
Assessment methods: Exam.
Grading: 1-5.
Responsible person: Professor Jukka Perttunen.
Language of instruction: English.
Other information: The number of students is limited.

721362P Introduction to Financial Economics

Scope: 5 ECTS
Timing: Period A.
Objective: Financial economics is an exciting new field of study that integrates the theory of finance and financial institutions into the main body of economic theory. Students of economics are shown how finance theory derives from foundations in economic theory. Students in finance are given a firmer appreciation of the economic logic underlying their favorite results. Traditionally students are taught economics and finance as if they were separate disciplines. Students will also learn how “new facts” in finance are in conflict with the old ones originating from the 1960s and 1970s.

Contents: First, the course provides the students a review of the history of the fundamental contributions in financial economics that have profoundly influenced modern investment theory and shaped the capital and derivatives markets. Thereafter, the course reviews decision-making under uncertainty, portfolio choice, systems of financial markets, arbitrage and option pricing, firms and financial markets, symmetric and asymmetric information, bank regulation, the role of financial intermediaries, and behavioral finance.

Working methods: 40 hours of lectures.
Assessment methods: Exam.
Grading: 1-5.
Responsible person: Professor Hannu Kahra.
Language of instruction: English.

721363P Introduction to Market Analysis

Required proficiency level: Mastering Investments (721361P) will be useful but is not mandatory.
Scope: 5 ECTS
Timing: Period C.
Objective: After the course, students are able to solve financial problems using statistical software, namely, Excel and SAS. Students are able to apply statistical analysis and inference to test scientific hypotheses. They will also gain knowledge in fields special to finance, namely, they will be able to calculate returns and risks of publicly traded stocks, do technical analysis and allocate wealth over multiple assets. Students will also learn how to investigate dependency between variables using regression analysis. After the course, students will have the necessary level of programming skills to learn more about Excel and SAS on their own.

Contents: The course introduces students to the calculation of basic statistical measures, statistical testing and inference, risk and return calculation, and basics of regression analysis. Also basic methods for analyzing stock price behavior through technical analysis will be covered. Students will also become familiar with the most basic asset allocation decisions.

Working methods: Working methods include 40 hours of lectures and computer lab exercises, as well as independent studying of textbooks and other material. Alongside providing theoretical backgrounds for statistics and econometrics, the lectures are aimed to introduce students to the use of Excel and SAS in financial problem-solving. During computer lab exercises, students are given various calculation problems to solve using these programming languages.
Study materials: Material announced during the lectures, including lecture notes, textbooks and manuals.
Assessment methods: Computer lab exam and assignments.
Grading: 1-5.
Responsible person: N.N.
Language of instruction: English.
Other information: The course is an alternative to Introduction to Computational Finance (721364P). The number of students is limited.

721364P Introduction to Computational Finance

Required proficiency level: Knowledge of basic statistics and/or econometrics is required.
Scope: 5 ECTS
Timing: Period C.
Objective: Computational finance is an area that employs computational approaches to solve financial problems. After the course, students are able to apply statistical software, namely R, the open-source language that is free to download. Focusing on implementation rather than theory, the course serves as an accessible introduction to statistical problem solving in finance.
Contents: First, the course reviews basic concepts in probability and classical statistical inference. Thereafter the course introduces students to the calculation of basic statistical measures, statistical testing and inference, risk and return calculation, and basics of regression analysis. The selection of topics includes the traditional core material of computational finance: simulating random variables from probability distributions, Monte Carlo and MCMC methods, bootstrapping, density estimation, and visualization of data.
Working methods: Working methods include 40 hours of lectures and computer lab exercises, as well as independent studying of textbooks and other material. Alongside, providing theoretical backgrounds for statistics and econometrics, the lectures are aimed to introduce students to the use of R in financial problem-solving. During computer lab exercises, students are given various programming and computing problems to solve using the R programming language.
Study materials: Braun and Murdoch: A First Course in Statistical Programming with R, Cambridge; Rizzo: Statistical Computing with R, Chapman & Hall/CRC; and material provided by the instructor.
Assessment methods: Computer lab exam and assignments.
Grading: 1-5.
Responsible person: Professor Hannu Kahra.

721922A Theory of Corporate Finance

Scope: 5 ECTS
Timing: Period C.
Objectives: Upon completion of this course, the student can explain the main concepts of theoretical corporate finance based on asymmetric information and psychology. He/she is capable of analyzing how corporate managers optimally choose capital structures and payout policies. The student is able to identify key motives for mergers & acquisitions, and to calculate costs and benefits mergers & acquisitions in simple cases where valuations are given. In addition, he/she is able to explain how corporate managers can defend themselves against takeovers. He/she can also analyze how conflicts of interest between different corporate stakeholders and psychological biases affect corporate decision making. Finally, the student is able to apply corporate governance methods to alleviate these problems.
Contents: This course describes the theory and practice of corporate finance that is essential for corporate managers, board members and consultants. The subject areas include: signaling and agency theory, security issuance decisions, optimal capital structure, adjustment of capital structure, dividend policy, repurchase decision, choice and valuation of cash holdings, mergers and acquisitions.
Working methods: 40 hours of lectures and group exercises.
Study materials: Copeland, Weston & Shastri: Financial Theory and Corporate Policy, Pearson. Additional material provided by the instructor.

Assessment methods: Exam and group exercises.

Grading: 1-5

Responsible person: Postdoctoral researcher Petri Kyröläinen

Language of instruction: English

Other information: The number of students is limited.

721198A Derivative Securities
Scope: 5 ECTS
Timing: Period D.

Objective: The students will become familiar with the principles and basic methods of pricing of derivatives securities as well as be able to apply them in the pricing and hedging of advanced derivative securities.

Contents: The course aims to deepen the understanding of the theory and the pricing mechanism of derivative securities. Topics covered are the risk-neutral valuation principle, analytical and numerical valuation methods, the hedging of derivative securities, and volatility estimation.

Working methods: 40 hours of lectures and exercises, independent studying of text books.


Assessment methods: Exam.

Grading: 1-5.

Responsible person: Professor Jukka Perttunen.

Language of instruction: English.

Other information: The number of students is limited.

721199A Equity Markets
Scope: 5 ECTS
Timing: D

Objectives: Upon completion of this course, the student discovers behavioral biases in investor behavior and how these biases potentially affect stock prices. In addition, he/she can distinguish and explain various limits of arbitrage that can facilitate prolonged mispricing in equity markets. Furthermore, the student is able to compare historical returns and risks of various equity market trading strategies based on results published in leading scientific journals. On the basis of this, the student is capable of carrying out more rational investment decisions in equity markets.

Contents: This course describes the methods and results of equity market research that are essential for fund managers, individual investors, equity analysts and managers of listed companies. The subject areas include: trading mechanisms and price setting in equity markets; market efficiency and behavioral finance; limits of arbitrage such as illiquidity, noise trader risk, fundamental risk, model risk, and costs and risks of short selling; psychology and investor behavior; investment strategies that seek to exploit pricing anomalies including value strategies, momentum strategies, asset growth strategies, and earnings announcement related strategies; effect of investor sentiment on stock returns; the role of equity analysts.

Working methods: 40 hours of lectures and answering behavioral questions.


Assessment methods: Exam.

Grading: 1-5

Responsible person: Postdoctoral researcher Petri Kyröläinen

Language of instruction: English.

Other information: The number of students is limited.
721370A Fixed Income Securities

**Required proficiency level:** Financial Risk Management (721174P) must be completed before attending to this course.

**Scope:** 5 ECTS  
**Timing:** Period B.

**Objective:** Effective risk management is essential in today’s uncertain business environment. Derivatives and especially fixed income derivatives are standard instruments for managing financial risk. It is critical for anyone involved in corporate or financial risk management to have a deep-rooted understanding of interest rate risk and fixed income securities.

**Contents:** This course explores key issues in fixed income. It develops tools for valuing and modeling the risk exposures of fixed income securities and their derivatives, with the ultimate goal of deploying these instruments in a corporate or financial risk management setting. The course is divided into three parts, covering (1) basic fixed income securities, (2) fixed income derivatives with a focus on popular interest rate models used to value them and (3) quantitative management of fixed income portfolios. To make the material broadly accessible, concepts are, whenever possible, explained through hands-on applications and examples, rather than through advanced mathematics.

**Working methods:** 40 hours of lectures and assignments. R, an open-source computing package is applied in the course.

**Study materials:** Tuckman: Fixed Income Securities - Tools for Today’s Markets, Wiley & Sons; and material provided by the instructor.

**Assessment methods:** Exam, assignments and teamwork.

**Grading:** 1-5.

**Responsible person:** Professor Hannu Kahra.

**Language of instruction:** English.

**Other information:** The number of students is limited.

---

721924A Seminar in Finance

**Scope:** 10 ECTS  
**Timing:** Periods A-D.

**Objective:** Upon successful completion of this course, the student will be able to: effectively acquire Information; critically evaluate the quality and worth of information; cite references properly; define a research topic and provide a rationale for it; combine pieces of information with a view to problem solving; and present the results of his/her work clearly and accurately.

**Contents:** This course is an introduction to conducting scientific research in the field of finance. The objective of the course is to develop the student’s thinking, acquiring, organizing, and processing information, as well as scientific writing and communication skills.

**Working methods:** Introductory lectures, information-retrieval training sessions, independent work, and seminar sessions.

**Study material:** Instructions of Thesis Work (a handout).

**Grading:** 1-5.

**Responsible person:** Postdoctoral Researcher Mirjam Lehenkari.

**Additional information:** A bachelor’s degree involves a maturity test and the thesis must be bound in hard covers. A student who already has a bachelor’s degree should contact the course instructor.

---

721383S Asset Pricing

**Scope:** 6 ECTS  
**Timing:** Period D.

**Objective:** The students will become familiar with modern asset pricing theory and econometric methods in applying theoretical models in empirical research.
Learning outcomes: After the course the student is able to use basic asset pricing models across different asset classes and implement asset pricing models in practice.

Contents: The pricing of all assets is based on a single idea: price equals expected discounted payoff that captures the macroeconomic risks underlying each security’s value. Traditional asset pricing models (CAPM, ICAPM, APT) are embedded in the stochastic discount factor (SDF) framework. One of the key issues is that there is a relation between discount factors, betas and mean-variance frontiers: they are equivalent concepts. A wide variety of popular methods, including time-series and cross-sectional regressions are presented and applied to empirical data.

Working methods: 40 hours of lectures and exercises, independent studying of textbooks. SAS and R, an open-source computing package are applied in the course.


Assessment methods: Exam, assignments.

Grading: 1-5.

Responsible person: Assistant Professor Juha Joenväärä

Language of instruction: English.

Other information: The number of students is limited.

721951S Portfolio Performance Analysis
Scope: 6 ECTS
Timing: Period B.
Objective: Performance analysis is the final stage in the portfolio management process. The students will become familiar with the basic methods of modern portfolio performance analysis as well as apply them in practice.

Learning outcomes: After the course the student is able to use basic return- and holdings based techniques in portfolio performance analysis. Upon completing the course the student is able to apply techniques in practice using the SAS software.

Contents: The term “performance analysis” covers the techniques that are implemented to study the results of portfolio management. These range from simple performance measurement to performance attribution. Performance measurement consists of measuring the difference in the value of the portfolio, or investment fund, between the beginning and the end of the evaluation period. Performance attribution breaks down the return to attribute the exact contribution of each phase in the process to the overall portfolio performance, thus allowing the manner in which the result was obtained to be understood. The intermediate step is performance evaluation, which explains how the measured return was obtained and whether the result is due to skill or luck.

Working methods: 40 hours of lectures and exercises. SAS software package is applied in the course.

Study materials: Aragon & Ferson: Portfolio Performance Evaluation, Boston - Delft and material provided by the instructor.

Assessment methods: Exam, assignments.

Grading: 1-5.

Responsible person: Researcher Pekka Tolonen.

Language of instruction: English.

Other information: The number of students is limited.

721952S Portfolio Management
Scope: 6 ECTS
Timing: Period A.
Objective: The students will become familiar with the basic quantitative methods of modern portfolio
management as well as be able to apply them in practice.

Learning outcomes: After the course the student is capable of explaining the challenges for portfolio management, and design methodologies in portfolio management implementations.

Contents: The course introduces the students to the applying of advanced portfolio management techniques. As a part of the course, each student implements his/her personal portfolio management policy, which is then applied in managing of an artificial investment portfolio over the academic year.

Working methods: 40 hours of lectures, exercises, teamwork and seminar. SAS and R, an open-source computing package are applied in the course.


Assessment methods: Exam, assignments.

Grading: 1-5.

Responsible person: Assistant Professor Juha Joenväärá.

Language of instruction: English.

Other information: The number of students is limited.

721954S Financial Econometrics

Required proficiency level: Introduction to Econometrics (721060A) must be completed before attending this course.

Scope: 6 ECTS

Timing: Period D.

Objective: After completing the course students should: understand the important features of time series of market prices, appreciate the relevance of efficient market theory to predicting prices, be familiar with appropriate methods for forecasting price volatility, be able to use option prices to make statements about the distributions of future asset prices, have acquired experience of applying computational methods to market data, be informed about a broad range of econometric methods that are applied in finance research, and apply extreme value theory in calculating value at risk of a financial position.

Contents: Probability foundations (probability concepts, prices, returns and volatility clustering, stochastic processes, ARMA models for financial returns), stylized facts for returns from financial assets, expected returns using time series information (testing for a random walk process using the variance-ratio test, methods that use trading rules to assess the predictability of returns and the efficiency of markets), modeling volatility using time series information (univariate and multivariate GARCH models and stochastic volatility), and a review of econometric methods (maximum likelihood, GMM, MCMC and Kalman filter).

Working methods: 40 hours of lectures and assignments, independent studying of textbooks. R, an open-source computing package is applied in the course.


Assessment methods: Computer lab exam, assignments.

Grading: 1-5.

Responsible person: Professor Hannu Kahra.

Language of instruction: English.

Other information: The number of students is limited.

721956S Alternative Investments

Scope: 6 ECTS

Timing: Period C.
Objective: Alternative investments are assets considered outside of the traditional asset classes of stocks, bonds and cash. The students will learn that due to their special characteristics, alternative assets tend to have low correlations with traditional asset classes, providing additional portfolio diversification and potential for higher returns.

Contents: The course aims to give an introduction to investing in (1) real estate, (2) private equity and venture capital, (3) hedge funds, and (4) commodities, currencies and volatility.

Working methods: 40 hours of lectures, assignments and teamwork.

Study materials: Material provided by the lecturers.

Assessment methods: Exam and assignments.

Grading: 1-5.

Responsible person: Assistant Professor Juha Joenvääärä and Professor Hannu Kahra.

Language of instruction: English.

Other information: The number of students is limited.

721950S Master’s Thesis in Finance

Scope: 30 ECTS

Timing: A-D.

Objectives: The students will become familiar with conducting independent academic research and be able to apply academic research methodology in the field of finance.

Contents: The aim of the course is to support students writing their master’s thesis. The students present their research reports at least twice during the academic year.

Assessment methods: Participation in seminars, accepted research reports.

Grading: 1-5

Responsible persons: Professor Jukka Perttunen and Professor Hannu Kahra.

Language of instruction: English

Other information: The number of students is limited.
3. International Master's Programme in International Business (IB)

Globalization is a prominent feature of today’s economic landscape and the importance of skills in organizing business in international markets has significantly increased. There is a growing need for professionals in the fields of international marketing and management, who meet the requirements set by firms operating globally.

Oulu Business School organizes a two-year full-time Master’s programme in International Business (IB). The IB Programme will give students skills and knowledge to work in firms doing business in global markets and organizing their operations internationally. Similar to international businesses crossing borders, the IB Programme transcends disciplinary barriers. It combines courses from marketing, management, logistics and accounting to offer students a wide set of skills and knowledge pertaining to international business.

International business is a subject that needs to be approached from many different points of view in order to give a comprehensive understanding of the challenges confronted by internationally operating firms. International business studies and research deal with challenges faced by both large multinational companies, as well as by smaller firms planning their first operations in international markets or aiming to strengthen their global presence. Special attention is paid to running and building international growth businesses especially in technology oriented industries. In the IB Programme, the collaboration between different Departments gives students a wide knowledge of the different aspects of international business. Special attention is paid to the decision-making processes in internationalization and to the strategies for developing and managing international business relationships.

The IB Master’s programme provides a master’s degree of high international standards. The programme is designed for students with different university level study backgrounds. As a minimum prerequisite, an applicant needs to have an appropriate Bachelor’s (or equivalent) degree. The programme is ideal for those who have background education in business studies, social sciences, or engineering.
3.1 Programme Outline

Background Studies: B.Sc. minimum

A. Basic Studies  25 ECTS

723010P Introduction to International Business  5 ECTS
723011P Cross-cultural Business Communications  5 ECTS
723022P International Business Operations  5 ECTS

In addition choose 10 ECTS of the following (or other basic level courses of Management):
721519P Strategic Management  5 ECTS
721518P Leadership and Change  5 ECTS

B. Intermediate Studies 25 ECTS

Choose at least five courses:
723013A Legal Issues in International Business  5 ECTS
723029A International Organization Design  5 ECTS
723027A International Project  5 ECTS
723021A Cross-cultural Negotiations  5 ECTS
721513A Human Resource Management  5 ECTS
721520A Business Opportunity Creation  5 ECTS
723001A Additional studies in International Business  5 ECTS

C. 723020A Seminar in International Business 10 ECTS

D. Advanced Studies 30 ECTS

723036S Current Issues in International Business  6 ECTS
721461S International Business Theory  6 ECTS

In addition choose at least three of:
723037S International Project Business  6 ECTS
723035S International Sales  6 ECTS
723034S International Business Development  6 ECTS
723039S Special Issues in International Business  6 ECTS
723032S Cross-cultural Leadership  6 ECTS
723038S MNEs, JVs and M&As  6 ECTS
721556S Globalization and International Management  6 ECTS

E. 723030S Master’s Thesis in International Business 30 ECTS

Total: 120 ECTS
3.2 Schedule

First Year Autumn

Mandatory Courses:
723010P Introduction to International Business
723011P Cross-cultural Business Communications
723022P International Business Operations
723036S Current Issues in International Business, first part

Optional Courses:
721519P Strategic Management
723013A Legal Issues in International Business
723027A International Project
723001A Additional studies in International Business
721520A Business Opportunity Creation

First Year Spring

Mandatory Courses:
723020A Seminar in International Business
723036S Current Issues in International Business

Optional Courses:
721518P Leadership and Change
723021A Cross-cultural Negotiations
723029A International Organization Design
721513A Human Resource Management
723001A Additional studies in International Business

Second Year Autumn

Mandatory Courses:
723036S Current Issues in International Business, second part
721461S International Business Theory
723030S Master’s Thesis in International Business

Optional Courses:
723034S International Business Development
723032S Cross-cultural Leadership
721556S Globalization and International Management
Second Year Spring

Mandatory Courses:
723036S Current Issues in International Business

Optional Courses:
723037S International Project Business
723035S International Sales
723039S Special issues in international business
723038S MNEs, JVs, and M&As
3.3 Course Descriptions

723010P Introduction to International Business
Scope: 5 ECTS
Timing: Period A.
Learning outcomes: After completing this course students will be able to:
- identify and define the basic concepts and theories used within international business
- describe the phenomena important in international business
- discuss different analytical models as the basis for international business decision making
Contents: The course covers introduction to international business as a disciplinary area and introduces basic concepts, theories and analytical models in international business. The influences of country level differences on international business making of the firms is examined and basic strategies and structures in organizing and managing international businesses are presented.
Working methods: 20 hours lectures and 8 hours case-based workshops.
Assessment methods: Examination.
Grading: 1–5.
Responsible persons: Tuija Mainela and Sauli Pajari.
Language of instruction: English.
Other information: The number of students is limited.

723011P Cross-cultural Business Communications
Scope: 5 ECTS
Timing: Period A.
Learning outcomes: After completing this course students will be able to:
- recognize different theories of cross-cultural communication
- identify the cultural differences business communication
- describe the effect of cultural differences on business communication
Contents: The aim of the course is to introduce students to some of the culturally-bound behavioural patterns they are likely to encounter in dealing with international contacts in their professional life. The course will cover discussions on cultural differences in behaviour patterns and their effect on business practises. Special attention will be paid to corporate communication, such as web pages, flyers and other marketing or company-specific materials. Finally, selected aspects of internal communication within a multi-cultural business will be discussed.
Working methods: 18 h lectures.
Study materials: Selected reading will be given in class.
Assessment methods: Examination.
Grading: 1–5.
Responsible person: Lisa Lena Opas-Hänninen.
Language of instruction: English.
Other information: The number of students is limited.
723022P International Business Operations
Scope: 5 ECTS
Timing: Period B.
Learning outcomes: After completing this course students will be able to:
- recognize and describe different international operation modes
- compare the foreign operation modes in specific decision making situations
- acquire knowledge of strategic and financial planning in the context of SME internationalization
Contents: The course introduces the basic international business operation modes. The contents cover exporting and importing, contractual and investment entry modes, e-business as a mode of international operation and some aspects of financing and strategic planning of SME internalization.
Working methods: 24 h lectures. Reflective assignment on own learning.
Assessment methods: Individual written report.
Grading: 1-5.
Responsible persons: Fan Wang and Marika Sóna.
Language of instruction: English.
Other information: The number of students is limited.

723020A Seminar in International Business
Scope: 10 ECTS
Timing: Periods B-D.
Learning Outcomes: After completing this course, the student will be able to:
- write, comment and evaluate scientific research
- critically choose research materials, data and documents
- analyse, interpret and modify scientific information
- discuss and make conclusions based on gathered information
- present (orally) and report (in writing) the implementation and results of the study
Contents: During the course, basic requirements for goal-oriented, scientific study and methods of conducting research are introduced together with scientific text. Further, students will be introduced to the information gathering in the university library, and will be guided in the use of various data sources. During the course the students practise research, writing and presentation skills through writing and presenting a research paper on independently chosen IB-related topic.
Working methods: The following working methods are applied: Lectures, information skills training in the library, analysis of a previously written bachelor’s thesis, writing a topic analysis paper, writing a final seminar report, oral presentation of the research report, commenting other student’s research in the role of an opponent.
Assessment methods: Assessment is based on the activity of participation in the seminar (lectures, final seminars), the final written research report (the scientific quality of the report), acting as an opponent (capability of providing constructive criticism, in particular), and self-assessment conducted by the students. When the seminar report is published as Bachelor’s thesis, it must be published in a hard covered format according to the instructions of the Faculty and the student is required to pass a maturity examination.
Grading: 1-5
Responsible person: Pia Hurmelinna-Laukkanen. Lectures are organized jointly with Management (Tuija Lämsä).
723013A Legal Issues in International Business
Scope: 5 ECTS
Timing: Period B.
Learning outcomes: After completing this course students will be able to:
  - distinguish and compare different legal systems
  - analyze and explain the contents of contracts and other legal documents
  - estimate the relevant information needed in different legal situations
Contents: The course offers an insight into the diversity that exists within systems of law, as well as provides an overview of the basic legal issues in doing business in international settings. During the course some conceptual basis of international business law, different legal systems with the emphasis on private international law and legal practicalities of international business transactions will be discussed. Management of legal issues and the role of legal function in a firm are taken as a special approach. Areas covered include, e.g. trade (buying, selling and distribution), employment and labour issues, company law, IPR issues and competition law.
Working methods: 20 h lectures and exercises.
Assessment: A literature exam. All exercise assignments need to be passed as a prerequisite.
Grading: 1-5.
Responsible Teacher: Pia Hurmelinna-Laukkanen.
Language of Instruction: English.
Other information: The number of students is limited.

723021A Cross-cultural Negotiations
Scope: 5 ECTS
Timing: Period C.
Learning outcomes: After completing this course students will be able to:
  - prepare for, participate in, and lead cross-cultural and international business negotiations.
  - apply different theories, tools and information for analyzing and interpreting cross-cultural negotiation situations.
  - recognize and relate cross-cultural negotiation situations to business strategy and to the cross-cultural and international business context
Contents: The contents of the course cover theories and tools how to conduct cultural and technical preparations for cross-cultural negotiations, how to build negotiation strategy and tactics, and how the dynamics of cross-cultural negotiations can be analyzed in differing cultural settings. Specific attention is paid to major cultural blocks and their special characteristics regarding negotiations.
Working methods: 16 hours lectures. 1 hour negotiation rehearsal to be completed in student groups.
Assessment: 50% by exam and 50% by rehearsals and rehearsal report prepared as a team.
Grading: 1-5.
Responsible person: Anita Juho.
Other information: The course requires registration in advance. The number of students is limited.
Language of instruction: English.

723027A International Project
Scope: 5 ECTS
Timing: Periods A-B.
Learning outcomes: After completing this course students will be able to:
- solve real life business problems using acquired skills from earlier IB courses
- identify the most essential business development issues
- use management methods and international strategy concepts in expanding businesses
- discover real and relevant solutions for firms in different internalization phases

Contents: The aim of the course is to develop practical skills in international business by adapting different theories, frameworks and tools in selected SME’s. Depending on the nature of the assignment, students may indicate how the country and/or industry context influences firm’s international operations, or develop a business plan for organizing some of its international business operations. Students gather, organize, interpret and use information to formulate strategic alternatives for the organization. In their report students show their ability to adapt the theories, tools and frameworks in real life business cases.

Working methods: Students will be conducting a real life project work according to a company assignment. Work will be done in groups of four to five students. Students will present both intermediate and their final results by written reports and by an oral case presentation.

Assessment: Assessment is based both on a pre-examination and a written case report.
Grading: 1-5.
Responsible person: Lauri Haapanen.
Other information: Pre-examination: In order to attend the course student has to pass the pre examination based on the required study material. The course requires registration in advance. The number of students is limited.

Language of instruction: English.

723029A International Organization Design
Scope: 5 ECTS
Timing: Period D.
Learning outcomes: After completing this course students will be able to:
- identify the main concepts and ideas, as well as tell the evolutionary path of organization theory and design discussion.
- describe the critical tasks of an organization.
- recognize the role of clear responsibilities, workflow, control, coordination, planning and decision-making in management processes in international contexts.
- analyze the functioning and performance of an organization. Identify potential bottlenecks in organization processes, systems and structures hindering effective administration and execution of the strategy.

Contents: The course covers the key concepts and essential ideas of organization theory and design. International organization design models, structures, processes and systems are also covered. In addition, themes like organizational culture, values and policies, the role of corporate governance, as well as organizational change and development are discussed.

Working methods: 12 hours lectures.
Assessment: A literature examination.
Grading: 1-5.
Responsible person: Marjut Uusitalo.
Language of instruction: English.
Other information: The number of students is limited.

723001A Additional Studies in International Business
Scope: 5 ECTS or may vary. Agreed by the Professor of IB.
Timing: Not defined. To be agreed with the Professor of IB.
Objectives: Free.
Contents: This course may consist of equivalent studies completed in other faculties or universities.
Working methods: Not defined. Agreed with the Professor of IB.
Study materials: Agreed with the Professor of IB.
Assessment methods: Not defined.
Grading: 1-5
Responsible person: Petri Ahokangas.

723030S Master’s thesis in IB
Scope: 30 ECTS
Timing: Periods A-D.
Learning outcomes: After completing the master’s thesis students will be able to:
- analyse and evaluate scientific information, research report and data regarding their content, focus, methodology and quality.
- design scientific research topics or themes and relate and judge the applicability of the scientific theories and approaches to the selected research topic within international business.
- integrate different theories and research approaches and methodologies together and carry out a research process independently and thereby develop scientific thinking skills.
Contents: During the master’s thesis work process students will participate in seminar sessions in which they present and report the status and advancement of their work. In the seminars they will receive guidance and feedback how to proceed in and complete their work.
Working methods: Seminar sessions. The students are required to present three separate reports: 1) Topic analysis (2-3 pages), 2) Intermediate report (approximately 30 pages), and 3) Manuscript (approximately 80 pages). The work starts with a kick-off session and the progress and timing of the sessions is agreed in the kick-off session.
Prerequisites: 723020A Seminar in International Business.
Study materials: Articles and other materials presented during the sessions.
Assessment methods: Examination by workshop and pair assignments.
Grading: 1-5
Responsible persons: Professor Petri Ahokangas and Professor Tuija Mainela.
Language of instruction: English.
Other information: The number of students is limited.

721461S International Business Theory
Scope: 6 ECTS
Timing: Period A.
Learning outcomes: After completing this course students will be able to:
- define the key concepts of main international business theories
- compare the ideas and assess the value of the theoretical approaches
- use international business theories in analysis of international business development of firms.
Contents: The course introduces theoretical approaches related to internationalization of a firm and decision making in international business. Approaches covered include learning models, network approach, international entrepreneurship view, transaction cost analysis, eclectic theory and resource based view in international business research. Case analyses by students are used to illustrate the applicability of the theoretical approaches in different contexts and cases.

Working methods: Lectures 12 h. Case analysis in which students collect various secondary data on a chosen case-firm and write an analytical report on its internationalization utilizing the course lectures and course literature.


Assessment methods: Individual analytical written report.

Grading: 1–5.

Responsible person: Tuija Mainela.

Language of instruction: English.

Other information: The number of students is limited.

723036S Current Issues in International Business

Scope: 6 ECTS

Timing: Periods A-D.

Learning outcomes: After completing this course students will be able to:
- differentiate topics and discussions of current interest in international business field
- associate managerial challenges of doing international business with academic research on them
- examine the research settings of studies in relation to their research questions, theories and methods

Contents: The course covers a variety of current research topics and managerial issues important in the field of international business. It familiarizes the students with current trends in research and management of international business and thereby provides an opportunity to learn scientific and managerial thinking.

Working methods: Seminar attendance and discussions.

Study materials: The seminar materials assigned by lecturers.

Assessment methods: Students will be assessed based on learning diaries on the seminars. Passing the course will require attendance in six seminars out of eight that are organized over a two-year period.

Grading: Fail / Pass.

Responsible persons: Petri Ahokangas and Tuija Mainela.

Language of instruction: English.

Other information: The number of students is limited. Mandatory for students with IB as the major subject.

723032S Cross-cultural Leadership

Scope: 6 ECTS

Timing: Period B.

Learning outcomes: After completing this course students will be able to:
- assess, design and integrate cross-cultural work groups and teams in internationally or geographically distributed organizations as a team member or as a leader
- relate and judge the applicability of different leadership and collaboration theories and approaches to dynamic cross-cultural leadership situations

Contents: Students completing the course will have an understanding and capability to utilize the differing leadership theories and apply them in analyzing and assessing differing cross-cultural and international leadership situations. The course addresses specific issues related to cross-cultural leadership; such as communications, collaboration, conflicts, team processes and roles, virtual teams, global and international
leadership styles, and combines these themes to practical cross-cultural leadership situations. The students will practice their cross-cultural collaborations and leadership skills in a team work simulation.

**Working methods:** 26 hours lectures and workshops. The course includes a leadership simulation with a multiplayer team game (NoviCraft).


**Assessment:** Examination by workshop and group assignment.

**Grading:** 1-5.

**Responsible person:** Petri Ahokangas.

**Language of instruction:** English.

**Other information:** The number of students is limited.

---

**723035S International Sales**

**Scope:** 6 ECTS

**Timing:** Periods C-D.

**Learning Outcomes:** After completing this course the students will be able to:

- identify and analyze different international sales/selling and sales management tasks, roles, situations, contexts, systems and strategies of internationally active firms
- relate and judge the applicability of the theories and approaches to dynamic international sales and selling activities
- integrate sales and selling perspective to the strategy and internationalization of firms

**Contents:** Students completing the course will have an understanding of the world of international sales and selling from salesperson’s, the sales manager’s, and the company’s viewpoint. Theories and models explaining international sellers’ and buyers behavior will be used as tools to evaluate and explain sales and selling related behavior and practices in internationally active firms. The course addresses specific issues related to international sales and selling as a practice, how sales and selling is managed in international contexts, what kind of different sales and selling strategies are used by firms, how these strategies can be evaluated, and finally, how e-sales and e-selling can be utilized and evaluated within international business.

**Working methods:** 26 hours lectures and workshops.

**Study materials:** Article collection, other materials presented during the lectures.

**Assessment:** An examination by workshop and pair assignment.

**Grading:** 1-5.

**Responsible person:** Petri Ahokangas.

**Language of instruction:** English.

**Other information:** The course requires registration in advance. The number of students is limited.

---

**723034S International Business Development**

**Scope:** 6 ECTS

**Timing:** Period B.

**Learning outcomes:** After completing this course students will be able to:

- explain the challenges for supply chain management in an international business context
- assess the business decisions related to international logistics by utilizing different theoretical frameworks
- recommend and apply appropriate business solutions based on the assessment and theoretical frameworks

**Contents:** The course presents the theories, concepts and techniques of procurement and logistics in international business environment. The course covers specific issues related to international supply chain
management; such as outsourcing decision: offshoring, business process outsourcing; coordination and integration, global sourcing and procurement decisions, distribution and transportation and sustainability issues. The special emphasis will be given to the development of capabilities to analysis business cases of supply chain management questions in selected international settings.

**Working methods:** 26 hours lectures, article analysis and case study workshops.

**Study materials:** Article collection and other materials presented during the lectures.

**Assessment methods:** Individual written assignment and active participation.

**Grading:** 1-5.

**Responsible person:** Ulla Lehtinen.

**Language of instruction:** English.

**Other information:** The number of students is limited.

---

**723037S International Project Business**

**Scope:** 6 ECTS

**Timing:** Period C.

**Learning outcomes:**

After completing this course students will be able to:

- explain the phases in international project
- utilize different project management tools
- assess constraints and risk in the implementation of project

**Contents:** The course provides an overview of the theory and practice of managing project business in international context. The emphasis is the practical project management skills of multidisciplinary project teams. A study of the project processes, and procedures involved in assuring that projects will satisfy the objectives for which they were undertaken. Discussion covers the various phases of a project life cycle, including initiating, planning, executing, monitoring and controlling, and closing the project. The goal is to gain a solid understanding of how to successfully manage each phase of the project life cycle, work within organizational constraints, set goals linked directly to stakeholder needs and utilize proven project management tools to complete projects on time and within budget while meeting specifications. This course consists of an integrated package of seminars, workshops, videos, role plays, case studies, web resources, and class activities designed to immerse participants to the real life situation. Learning environment is designed to encourage high interaction amongst participants and the course facilitator.

**Working methods:** Lectures, exercises and case presentations


**Assessment:** Examination by a case study writing assignment.

**Grading:** 1–5.

**Responsible person:** Maqsood Sandhu.

**Language of instruction:** English.

**Other information:** The number of students is limited.

---

**723038S MNEs, JVs, and M&As**

**Scope:** 6 ECTS

**Timing:** Period C.

**Learning outcomes:** After completing this course students will be able to:

- compare and summarize different multinational enterprise theories
- judge the applicability of the theories in dynamic business contexts
explain the major changes in enterprise’s cross border strategies using theoretical frameworks
- conclude the viable strategies taking into account firm-specific and industry-specific boundaries

Contents: Students completing the course will have an understanding of the theories explaining the behavior of large and geographically dispersed multinational enterprises (MNEs) which are in mature stages of internationalization. Students will familiarize with the theories and practises of multinational enterprises. Course addresses specific issues related to the influence of the MNEs over the economy, the determinants of MNEs, the extent and patterns of foreign direct investments (FDIs), and the roles of joint ventures (JVs) and mergers & acquisitions (M&As) in expanding of businesses.

Working methods: 26 hours lectures and exercises. Students will apply their theoretical knowledge and approaches in an individual course assignment.


Assessment: Examination by an individual course assignment.

Grading: 1-5.

Responsible person: Lauri Haapanen.

Language of instruction: English.

Other information: The number of students is limited.

723039S Special issues in International Business

Scope: 6 ECTS

Timing: To be agreed with the Professor of IB.

Learning outcomes: After completing this course students will be able to:
- assess the value and relevance of learned theoretical frameworks in solving complicated business issues
- rank and make choices between applicable and relevant solutions to specific business problems

Contents: The topic or issue selected for the course shall be agreed with the Professor of IB.

Working methods: Specific research and reporting assignment agreed with the Professor of IB.

Study materials: To be agreed with the Professor of IB.

Assessment: Individual examination.

Grading: 1–5.

Responsible person: Petri Ahokangas.

Language of instruction: English.
4. International Master's Programme in Management and Financial Accounting (FMA)

In the world of international business, there is a growing need in financial and management accounting for professionals, who meet the requirements set by the firms operating in a global business environment.

Department of Accounting at the Oulu Business School organizes a full two-year Master’s programme in Financial and Management Accounting (FMA) that will give students the required skills and knowledge to work in firms having business relationships and operations in different countries.

Financial accounting investigates the information and reporting systems of firms that are used by various interest parties outside of the firm. Management accounting develops and investigates information and reporting systems needed in the decision-making inside the firm. Scientific research in financial and management accounting focuses on the usefulness of the information provided by these reporting systems in different decision making contexts including the firm valuation, performance evaluation, pricing of the products of the firm, among others. A recent trend in financial and management accounting is the integration of local reporting systems towards the common international financial reporting system.

The Master’s Programme in Financial and Management Accounting (FMA) provides a master’s degree of a high international standard and is ideal for applicants with a background in business studies, social sciences, education, natural sciences, mathematics or engineering. During the programme, the students develop proficiency in the analysis of accounting information, for the needs both of a company’s internal decision-making and of the investors. Course modules reflect a recent trend in accounting towards the adoption of international financial reporting system and the growing need for management control and accounting of internationalised firms. Graduates have acquired the skills and knowledge needed in working for leading multinational corporations, audit firms or financial services industry. The programme also provides students with a solid foundation for further scientific research.
4.1 Programme Outline

Background Studies: B.Sc. minimum

A. Core courses

721170A Financial Analysis and Firm Valuation  5 ECTS
721172P Management Accounting  5 ECTS

B. Special courses in financial accounting

721191S Financial Accounting Theory  6 ECTS
721189S Advanced Financial Analysis  6 ECTS
721190S Advanced Firm Valuation  6 ECTS
721197S Advanced International Accounting  6 ECTS
721182A Case Problems in Financial and Management Accounting  5 ECTS
721193S Advanced Auditing  6 ECTS
721128S Corporate Governance  6 ECTS

C. Special courses in management accounting and related subjects

721176A Management Control  5 ECTS
721184A Accounting Information Technology  5 ECTS
721192S Approaches in Management Accounting Research  6 ECTS
721194S Advanced Cost Accounting  6 ECTS
721195S Advanced Management Control  6 ECTS
721187A International Management Accounting and Control  5 ECTS

Optional 5 ECTS in finance, economics, marketing, management or logistics.

D. 721156A Seminar in Accounting  10 ECTS

E. 721130S Master's Thesis in Accounting  30 ECTS

Total: At least 124 ECTS
4.2 Schedule

**First year autumn**

- 721176A  Management Control
- 721170A  Financial Analysis and Firm Valuation
- 721189S  Advanced Financial Analysis

**First year spring**

- 721187A International Management Accounting and Control
- 721172P Management Accounting
- 721191S Financial Accounting Theory
- 721156A Seminar in Accounting

**Second year autumn**

- 721197S  Advanced International Accounting
- 721182A  Case Problems in Financial and Management Accounting
- 721192S  Approaches in Management Accounting Research
- 721195S  Advanced Management Control
- 721128S  Corporate Governance
- 721130S Master’s Thesis

**Second year spring**

- 721184A  Accounting Information Technology
- 721190S  Advanced Firm Valuation
- 721194S  Advanced Cost Accounting
- 721193S  Advanced Auditing

Supplementary courses are lectured during the whole two-year period.
4.3 Course Descriptions

721172P Management accounting
Scope: 5 ECTS
Timing: Period C.
Objective: After passing the course, the student knows the basic cost concepts and the elements of cost accounting systems. Students are also able to apply the basic cost information in the company’s decision making and explain which costs, in which circumstances should be included in these calculations.
Contents: Theoretical framework for understanding cost accounting, cost concepts, cost recording, different product costing methods, cost-volume-profit analysis, using cost accounting information in decision making.
Working methods: 40 h lectures and exercises, independent reading of study materials.
Assessment methods: Lectures and literature examination.
Grading: 1-5.
Responsible person: Professor in Management Accounting.
Language of instruction: English (course is lectured separately in Finnish and in English).

721170A Financial Analysis and Firm Valuation
Scope: 5 ECTS
Timing: Period A.
Objectives: After this course student can calculate different financial ratios and describe what these ratios tell about financial performance and -situation of the firm, student can prepare a business analysis for the firm, student can calculate free cash flow to the firm, student can apply dividend discount, free cash flow - and abnormal earnings valuation model to determine the value of the firm. Finally, student can calculate different valuation multiples and explain what these multiples mean and how they can be applied in the firm valuation. Moreover, after the course the student can interpret financial reports prepared according to International Financial Reporting Standards (IAS/IFRS), and will be able to analyse the IFRS financial reports.
Contents: Sources of financial information including financial statements, financial ratios, analysts’ earnings forecasts and industry-level information. Different tools for analysing financial information, problems in analysing financial information, and the use of financial information in firm valuation. Purpose of the IFRS financial statements. Information content of important IFRS/IAS standards.
Working methods: 50 h lectures, and 8 × 2 h exercises.
Assessment methods: Exam and term paper.
Grading: 1–5.
Responsible person: Henry Jarva.
Language of instruction: English.
Additional information: The number of students is limited.
721176A Management Control
Scope: 5 ECTS
Timing: Period A.
Objectives: Upon completion of the course students can define the basic structure of a management control system. They are thus able to describe the design and development needs of management control systems. Students can also apply basic accounting control tools, such as budgets and variance analysis, to simple control problems.
Contents: The issues of the course comprise management control system design and development, the usage of budgets and standards and the applicability of profit variance analysis, profit centre accounting and transfer pricing as well as performance measurement.
Working methods: Total 30 h of lectures and exercises, independent studying of the given materials, optional case assignments.
Assessment methods: Lecture and literature examination, optional case assignments.
Grading: 1–5.
Responsible person: Assistant Professor Sinikka Moilanen.
Language of instruction: English.
Additional information: The number of students is limited.

721187A International Management Accounting and Control
Scope: 5 ECTS
Timing: Period D.
Objectives: By the end of the course, students can describe how multinationality affects management accounting and control systems. They can identify and discuss different viewpoints to be taken into account in controlling multinational operations and are able to relate these viewpoints to practical cases.
Contents: The course discusses management accounting and control systems from the perspective of multinational corporations. The specific themes of the course comprise the role of accounting as a decision-making tool in strategic decisions, the effects of corporate strategy and organisational structures on accounting and control systems and the varied influences of cultural and social aspects of management control on people’s behaviour.
Working methods: 20 h of lectures, independent studying of the given materials and a written case-based assignment with work in Optima.
Assessment methods: Case assignment (2/3), lecture and literature examination (1/3).
Grading: 1–5.
Responsible person: Assistant Professor Sinikka Moilanen.
Language of instruction: English.
Additional information: The number of students is limited.

721184A Accounting Information Technology
Scope: 5 ECTS
Timing: Period C.
Objective: After this course the student can evaluate how management control of organizations rests upon its technological infrastructure, particularly ERP systems. The student will also be able to evaluate the
requirements that such developments impose on management accountants and the management accounting function. In addition, s/he will be able to analyze the key research issues related to this topic.

**Contents:** Theoretical and practical issues on management accounting and reporting systems function in a modern ICT environment.

**Working methods:** 24 hours lectures including visitors, case presentation.


**Assessment methods:** Literature examination, case presentations.

**Grading:** 1–5.

**Responsible person:** Professor in Management Accounting.

**Language of instruction:** English.

---

**721182A Case Problems in Financial and Management Accounting**

**Scope:** 5 ECTS

**Timing:** Period B.

**Prerequisites:** Financial Analysis and Firm Valuation, Cost Accounting

**Objectives:** After this course student can classify different costs, can analyse how potential actions selected by management will affect the firm’s income, student can build up traditional cost system and ABC system and compare product profitability of these alternative systems, student can apply discounted cash flow approach for analysing the profitability of certain investment project. Finally, student can apply selected valuation model to calculate the value of the firm.

**Contents:** Case problems simulating different decision-making situations. Students apply the methods of financial analysis, capital budgeting, cost accounting etc. covered in various courses preceding this course.

**Working methods:** 12 h class discussions.

**Study materials:** Case material provided by the lecturer

**Assessment methods:** Students form groups in the beginning of the course and analyse the case problems as teamwork. Each group returns a written report that contains the required analyses, and conclusions for each case problem before the class discussions. The groups present their reports in class discussions, and the cases are analysed together with other groups.

**Grading:** 1–5.

**Responsible person:** Hannele Kantola

**Language of instruction:** English.

**Additional information:** The number of students is limited.

---

**721156A Seminar in Accounting**

**Scope:** 10 ECTS

**Timing:** Periods C-D.

**Learning Objective:** After passing this course the student has learned the basics of academic writing and how to conduct academic research. Student will also be able to report the results of research both orally and by writing. Course provides an opportunity to practice independent and goal conscious research. During seminars each student will write and present a research paper on chosen topic in order to practice research skills, writing skills and presentation skills.

**Contents:** Research skills, choosing a topic for a research, presenting and defending one’s own report, evaluating and acting as an opponent to fellow researchers.

**Working methods:** Seminar work.

**Study materials:** Material selected by the lecturer

**Responsible person:** Researcher Tiina Henttu-aho and doctoral researcher Hannele Kantola

**Assessment methods:** Active participation in seminars, accepted seminar work.
Financial Accounting Theory
Scope: 6 ECTS
Timing: Period D.
Objectives: After the course the student is familiar with the main research areas in financial accounting and reporting. The student will acquire basic knowledge for understanding and solving specific research problems in financial accounting. The student will also have better tools to choose the topic of their Master’s thesis. After attending and passing the course, the student can use SAS program in adjusting research data and completing empirical analysis.
Contents: Executive compensation, earnings management and its implications, earnings response coefficients, value relevance of different type accounting information.
Working methods: 18 h lectures and 20 hours exercises
Assessment methods: Literature examination and term paper.
Grading: 1–5.
Responsible person: Markku Vieru.
Language of instruction: English.
Additional information: The number of students is limited.

Approaches in Management Accounting Research
Scope: 6 ECTS
Timing: Periods B-C.
Objectives: Upon completion of this course the student will distinguish between the major paradigms and research traditions in management accounting, as well as their philosophical foundations. S/he will recognize different types of research processes and scientific journals in management accounting, and, ultimately, will be able to use this information in his/her own Master’s thesis work.
Contents: Research traditions, field and case studies, contingency theory, management accounting journals
Working methods: 10 h lectures and 12 h article seminars. One article is discussed at each time. Before sessions students read an article, write an essay and prepare questions about the article. Essays and questions are given to the lecturer at the seminar. Students participate in the discussions and each student prepares one opening speech.
Assessment methods: Phase one: Lecture and literature examination. Phase two: Written analyses on six different articles, presentation of one article and active participation at seminar sessions.
Grading: 1–5.
Previous studies: It is recommended that the student has completed 721156A Seminar in Accounting before taking this course.
Responsible person: Professor in Management Accounting.
Language of instruction: English
Additional information: The number of students is limited.
Timing: Period D.
Objectives: After this course student can compare different firm valuation models, identify their advantages and disadvantages and assess their usability in different settings. Finally, student can apply the valuation models and analyse their applicability in special cases of firm valuation.
Contents: The use of valuation models and financial statements in equity valuation and managerial decision making. Special cases of firm valuation. Empirical evidence from the use of valuation models as well as value relevance of different types of financial information.
Working methods: 30 h lectures.
Assessment methods: Exam and term paper.
Grading: 1–5.
Responsible person: N.N.
Language of instruction: English.
Additional information: The number of students is limited.

721194S Advanced Cost Accounting
Scope: 6 ECTS
Timing: Period D.
Objectives: After this course student can construct cost accounting systems and critically evaluate the choices made in their design. S/he will be able to distinguish the systems that are most likely to be suitable for particular types of organizations. The student will also be able to use spreadsheet tools in performing complex cost accounting and budgeting calculations.
Contents: Cost allocation theory and practise, absorption cost systems, activity-based costing
Working methods: 12h lectures + case study exercises, 24h excel-based exercises.
Assessment methods: Literature examination and exercises.
Previous studies: 721172P Management Accounting is required before taking this course.
Grading: 1–5.
Responsible person: Assistant professor in management accounting.
Language of instruction: English.
Additional information: The number of students is limited.

721189S Advanced Financial Analysis
Scope: 6 ECTS
Timing: Period B.
Objective: After passing the course, students are able to use the analysis tools frequently applied in financial accounting. Thus, the student is able to assess and produce information needed in decision-making related to financial information. Moreover, the student is able to make their own research in the area of financial analysis literature.
Contents: Distributional properties of financial ratios, predictability of the accrual- and cash flow-based financial statement items, and economic interpretation of financial ratios.
Working methods: 18 h lectures and 8 h term paper seminars.
Assessment methods: Exam and term paper.
Grading: 1-5.
Responsible person: Professor Petri Sahlström.
Language of instruction: English.
Additional information: The number of students is limited.

721195S Advanced Management Control
Scope: 6 ECTS
Timing: Period B.
Objectives: Upon the completion of the course students can identify various theoretical perspectives on studying management control systems. Students are able to analyse management accounting and control research with the help of those perspectives, which assists them in their Master’s Thesis work. They are also able to combine the research findings to their own experiences and real business life. Students can thus compare the functionality of different accounting control tools and assess the multifaceted influences management accounting and control tools may have on the organisation and on people’s behaviour.
Contents: The focus is on the organisational and people side of accounting and control systems – i.e. the embedded nature of management control systems, and how budgeting, transfer pricing, financial and non-financial performance measures are used to influence, motivate and control what people do in organisations.
Working methods: 20 h of lectures, independent studying of the given materials and an article analysis.
Assessment methods: Lecture and literature examination (50%), term paper (50%).
Grading: 1–5.
Responsible person: Assistant professor Sinikka Moilanen.
Language of instruction: English.
Additional information: The number of students is limited.

721197S Advanced International Accounting
Scope: 6 ECTS
Timing: Period B.
Objectives: After passing the course, students are able to interpret and apply the most difficult issues of IFRS such as lease accounting, measurement of financial instruments and impairment of assets.
Contents: The course comprises such issues/standards as Impairment of assets (IAS 36), Property, Plant and Equipment (IAS 16), Intangible assets (IAS 38), Leases (IAS 17) and financial instruments (IAS 32, IAS 39 & IFRS 7).
Working methods: 24 h lectures.
Prerequisites: Introduction to International Accounting or Financial Analysis and Firm Valuation recommended as previous studies.
Assessment methods: Exam.
Grading: 1–5.
Responsible person: Henry Jarva.
Language of instruction: English.
Additional information: The number of students is limited.

721193S Advanced Auditing
Scope: 6 ECTS
Timing: Period C.
Objective: After passing the course, the student is able to apply key theories underlying audit process and research. Thus, the student is able to justify decisions made in audit work and research projects. For example, the student is able to assess audit risk and take it into account when planning audit tasks or when pricing audit services.


Working methods: 30 h lectures and seminars.


Assessment methods: Exam and term paper.

Grading: 1-5.

Responsible person: Professor Petri Sahlström.

Language of instruction: English.

Additional information: The number of students is limited.

721128S Corporate Governance
Scope: 6 ECTS
Timing: Periods A-B.

Objectives: After passing the course, students can distinguish the key elements of the governance system of the firm, they are able to recognize the warning signs of the potential collapse of the governance system, they can assess the features of different executive incentive system, and they are able to recognize situations of likely accounting fraud.

Contents: Lectures, and case problems and videos simulating governance-related decisions.

Working methods: 30 h lectures, and 6 h class discussions

Assessment methods: Exam and case exercises. As for case exercises, students form teams and prepare a term paper analyzing the selected case. They also present their analyses in the class room as a basis for a class room discussion.

Grading: 1-5.

Study materials: Kenneth Kim, John Nofsinger and Derek Mohr (2010), 'Corporate Governance', 3rd Edition, Pearson Prentice Hall; lecture notes; research articles; and cases.

Responsible person: Professor Juha-Pekka Kallunki.

Language of instruction: English

Additional information: The number of students is limited.

721130S Master’s Thesis in Accounting
Scope: 30 ECTS
Timing: Periods: A-D.

Objective: After completion of the master’s thesis work student is able to form research problems in area of accounting and solve them scientifically using appropriate research tools.

Contents: During seminars student will present four separate papers starting from subject analysis and ending with the final report.


Assessment methods: Seminars and Master’s thesis.

Grading: 1-5

Responsible person: Professor Petri Sahlström and other professors of Accounting.

Language of instruction: Finnish and English, a separate group for FMA students.

Additional information: The number of students is limited.