WILMINGTON UNIVERSITY  
COLLEGE OF BUSINESS  
BASIC COURSE INFORMATION  

COURSE TITLE: Economic & Financial Environment of Business  
COURSE NUMBER: MBA 6400  

I. RATIONALE:  
The understanding of the economic policies that affect the economic and financial environments of business is very important for the formulation of corporate strategic planning and policies that ensure stability throughout the business cycles.  

II. MAJOR INSTRUCTIONAL GOALS:  

GOAL A:  
The student will gain an awareness of the different components of our economy, how they are related and how they affect one another, and directly and indirectly.  

Learning Outcomes: The student will:  

A-1 Demonstrate the ability to define money and capital markets and their fundamentals of Financial Markets.  
A-2 Understand interest rates and their role in valuation.  
A-3 Understand how risk and Term structure affect interest rates.  
A-4 Understand Efficient Market Hypothesis.  

GOAL B:  
Develop an understanding of the role the American political system in economic decision-making.  

Learning Outcomes: The student will:  

B-1 Differentiate between Monetary Policy and Fiscal Policy.  
B-2 Know the importance monetary policy and fiscal policy in the management of the business cycles.  
B-3 Identify financial markets instruments/securities both domestic and international.  

GOAL C:  
Know the categories of financial institutions and their functions in the US Economy.  

Learning Outcomes: The student will:  

C-1 Explain the importance and characteristics of each category of financial
C-2 Understand the workings of central banks.
C-3 Know the functions of money and the Federal Reserve Monetary Aggregates.

GOAL D:
Develop the understanding of the various macroeconomic adjustment mechanisms known as “deficits” “inflation”, “unemployment”, “recession” and Stagflation”

Learning Outcomes: The student will:

D-1 Know the role of interest rates as they apply to the adjustment mechanisms.
D-2 Know Banking and Management of financial institutions
D-3 Know the commercial banking Industry’s structure and competition.
D-4 Know the functions of the Savings Associations, Credit Unions, Mutual Fund Industry, Insurance Companies and Pension Funds.
D-5 Know the Importance of Banking Regulations.

GOAL E:
Understand the implications of risk analysis in the in the money and capital markets

Learning Outcomes: The student will:

E-1 Know the techniques for identifying risk and risk management in the Financial Institutions.
E-2 Develop the ability to analyze and apply the hedging techniques in the Financial Derivative markets.
E-3 Understand Finance Companies and their functions.

GOAL F:
Understand the various types of economic theories and major Schools of economic thoughts, which have been developed to combat the previously mentioned adjustment mechanisms.

Learning Outcomes: The student will:

F-1 Know the economic implications for each theory.
F-2 Know the conflicts among the theories.
F-3 Apply the theories to real world situations.