# Table of Contents

**FIT5159 IT for financial decisions - Semester 2, 2014**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mode of Delivery</td>
<td>1</td>
</tr>
<tr>
<td>Workload Requirements</td>
<td>1</td>
</tr>
<tr>
<td>Unit Relationships</td>
<td>1</td>
</tr>
<tr>
<td>Prerequisites</td>
<td>1</td>
</tr>
<tr>
<td>Chief Examiner</td>
<td>1</td>
</tr>
<tr>
<td>Campus Lecturer</td>
<td>1</td>
</tr>
<tr>
<td>Caulfield</td>
<td>1</td>
</tr>
<tr>
<td>Your feedback to Us</td>
<td>2</td>
</tr>
<tr>
<td>Previous Student Evaluations of this Unit</td>
<td>2</td>
</tr>
<tr>
<td>Academic Overview</td>
<td>3</td>
</tr>
<tr>
<td>Learning Outcomes</td>
<td>3</td>
</tr>
<tr>
<td>Unit Schedule</td>
<td>4</td>
</tr>
<tr>
<td>Teaching Approach</td>
<td>4</td>
</tr>
<tr>
<td>Assessment Summary</td>
<td>4</td>
</tr>
<tr>
<td>Assessment Requirements</td>
<td>6</td>
</tr>
<tr>
<td>Assessment Policy</td>
<td>6</td>
</tr>
<tr>
<td>Assessment Tasks</td>
<td>6</td>
</tr>
<tr>
<td>Participation</td>
<td>6</td>
</tr>
<tr>
<td>Examinations</td>
<td>7</td>
</tr>
<tr>
<td>Examination 1</td>
<td>7</td>
</tr>
<tr>
<td>Learning resources</td>
<td>8</td>
</tr>
<tr>
<td>Feedback to you</td>
<td>8</td>
</tr>
<tr>
<td>Extensions and penalties</td>
<td>8</td>
</tr>
<tr>
<td>Returning assignments</td>
<td>8</td>
</tr>
<tr>
<td>Resubmission of assignments</td>
<td>8</td>
</tr>
<tr>
<td>Referencing requirements</td>
<td>8</td>
</tr>
<tr>
<td>Assignment submission</td>
<td>8</td>
</tr>
<tr>
<td>Online submission</td>
<td>9</td>
</tr>
<tr>
<td>Recommended text(s)</td>
<td>9</td>
</tr>
<tr>
<td>Examination material or equipment</td>
<td>9</td>
</tr>
<tr>
<td>Other Information</td>
<td>10</td>
</tr>
<tr>
<td>Policies</td>
<td>10</td>
</tr>
<tr>
<td>Faculty resources and policies</td>
<td>10</td>
</tr>
<tr>
<td>Graduate Attributes Policy</td>
<td>10</td>
</tr>
<tr>
<td>Student Charter</td>
<td>10</td>
</tr>
<tr>
<td>Student services</td>
<td>10</td>
</tr>
<tr>
<td>Monash University Library</td>
<td>11</td>
</tr>
<tr>
<td>Disability Liaison Unit</td>
<td>11</td>
</tr>
<tr>
<td>Other</td>
<td>11</td>
</tr>
</tbody>
</table>
FIT5159 IT for financial decisions - Semester 2, 2014

This unit provides students with an understanding of the development and use of IT tools and techniques for modelling and decision support in the field of finance. The unit is designed to give students a broad understanding of the financial subsystems confronting business enterprises. The main focus, besides the traditional modelling of finance decision making process using spreadsheet tools, will be IT tools and related techniques that can aid in the analysis and interpretation of real financial problems confronting an enterprise. This unit will look at business related financial issues in the context of specific case studies.

Mode of Delivery

Caulfield (Day)

Workload Requirements

Minimum total expected workload equals 12 hours per week comprising:

(a.) Contact hours for on-campus students:

- Two hours of lectures
- One 2-hour laboratory

(b.) Additional requirements (all students):

- A minimum of 8 hours independent study per week for completing lab and project work, private study and revision.

Unit Relationships

Prerequisites

FIT5131 or FIT9004 or FIT9017 or equivalent

Basic descriptive and inferential statistics, some financial accounting and basic business finance knowledge.

Chief Examiner

Associate Professor Vincent Cheng-Siong Lee

Campus Lecturer

Caulfield

Poh Lim
Your feedback to Us

Monash is committed to excellence in education and regularly seeks feedback from students, employers and staff. One of the key formal ways students have to provide feedback is through the Student Evaluation of Teaching and Units (SETU) survey. The University’s student evaluation policy requires that every unit is evaluated each year. Students are strongly encouraged to complete the surveys. The feedback is anonymous and provides the Faculty with evidence of aspects that students are satisfied and areas for improvement.

For more information on Monash’s educational strategy, see:

www.monash.edu.au/about/monash-directions/ and on student evaluations, see:
www.policy.monash.edu/policy-bank/academic/education/quality/student-evaluation-policy.html

Previous Student Evaluations of this Unit

Changes to assignment tasks have been introduced in accordance with student feedback.

If you wish to view how previous students rated this unit, please go to
Academic Overview

Learning Outcomes

On the completion of this unit, students should be to:

• explain the core foundations of finance, as appropriate to key financial analysis and decision making;
• analyse the core technologies that support financial analysis and decision making;
• implement quantitative techniques supporting financial analysis and decision making;
• apply the technologies and techniques studied to solving financial issues;
• analyse financial solution requirements and select appropriate technical and quantitative decision aids;
• interpret outputs from quantitative and technology based finance tools to aid in decision making.
# Unit Schedule

<table>
<thead>
<tr>
<th>Week</th>
<th>Activities</th>
<th>Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Register for lab/tute</td>
<td>No formal assessment and activities are undertaken in week 0</td>
</tr>
<tr>
<td>1</td>
<td>Characteristics, components and functions of IT systems for financial decisions</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Firm financial health, financial information sources and financial markets.</td>
<td>Tutorials start Week 2</td>
</tr>
<tr>
<td>3</td>
<td>Analysis of firm financial health-computation of financial ratios and interpretation of financial statements</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Financial statement analysis and modelling</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Risk-return, and formation of financial asset portfolios</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Analysis and evaluation of firm’s cash flow - DCF Modelling</td>
<td>Assignment 1 due Friday 5 September 2014, 11pm</td>
</tr>
<tr>
<td>7</td>
<td>Trading and Transaction Comps Modelling</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Financial knowledge representation using fuzzy logic, expert system and application example</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Financial clustering/classifications methods (ANN-SOM)</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Fuzzy-Neuro inference system for financial markets</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Intelligent multiagent-based techniques/tools for financial variable forecasting</td>
<td>Assignment 2 due Friday 17 October 2014, 11pm</td>
</tr>
<tr>
<td>12</td>
<td>Current issues on IT for financial decision and revision</td>
<td>No formal assessment is undertaken in SWOT VAC</td>
</tr>
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<td></td>
<td>SWOT VAC</td>
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</table>

*Unit Schedule details will be maintained and communicated to you via your learning system.

## Teaching Approach

**Lecture and tutorials or problem classes**

This teaching and learning approach provides facilitated learning, practical exploration and peer-assisted learning.

## Assessment Summary

Examination (3 hours): 60%; In–semester assessment: 40%

<table>
<thead>
<tr>
<th>Assessment Task</th>
<th>Value</th>
<th>Due Date</th>
</tr>
</thead>
</table>

*Assessment Task details will be maintained and communicated to you via your learning system.*
<table>
<thead>
<tr>
<th>Assignment</th>
<th>Weight</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assignment 1 - Assessment of financial health with spreadsheet tool</td>
<td>15%</td>
<td>Friday 5 September 2014, 11pm</td>
</tr>
<tr>
<td>Assignment 2 - Financial Investment Analysis using AHP based Expert Choice 11.5 software</td>
<td>20%</td>
<td>Friday 17 October 2014, 11pm</td>
</tr>
<tr>
<td>Continual assessment during tutorial Participation</td>
<td>5%</td>
<td>Weekly (starting Week 2)</td>
</tr>
<tr>
<td>Examination 1</td>
<td>60%</td>
<td>To be advised</td>
</tr>
</tbody>
</table>
Assessment Requirements

Assessment Policy

Faculty Policy - Unit Assessment Hurdles

Academic Integrity - Please see resources and tutorials at
http://www.monash.edu/library/skills/resources/tutorials/academic-integrity/

Assessment Tasks

Participation

Tutorial Participation will attract a 5% weighting towards the overall unit grade.

• Assessment task 1

  Title: Assignment 1 - Assessment of financial health with spreadsheet tool
  Description: This is an individual assignment. Students are required to download from the annual
  report of a set of selected firm in a given industry. Students will learn how financial ratios
  given in the financial statement in a firm’s annual report are computed and should be
  interpreted based on the text information given in the annual reports. The deliverables
  include a report with a spreadsheet model (Microsoft Excel).
  Weighting: 15%
  Criteria for assessment:
  A written report discussing the questions to be answered which will be assessed based
  on:
  ♦ Working demonstration of the spreadsheet/mathematical model (30%);
  ♦ Interpretation of the numerical results and sensitivity analysis (40%);
  ♦ Software system and financial model flexibility (ease of use, etc) (30%).
  Due date: Friday 5 September 2014, 11pm
  Remarks: Upload Assignment 1 with signed assignment coversheet of FIT assignment coversheet to
  FIT5159 - unit Moodle Assignment 1 submission site.

• Assessment task 2

  Title: Assignment 2 - Financial Investment Analysis using AHP based Expert Choice 11.5
  software
  Description: This assignment require students to design an empirical test of a "Decision Support
  System", based on AHP framework, which can be used for the selection of stocks
  (financial assets) and the associated investment decision analysis. The deliverable will be
  a group report comprising information that complies with the assessment criteria stated.
  Weighting:
20%

**Criteria for assessment:**
This group assignment will be graded according to the following criteria:

- Introduction and related literature review (20%)
- Technical content (calculation and criteria selection; hierarchy construction, priorities ranking, consistency verification, result tables and graphs) (30%)
- Results discussion (justifications of results reported in tables and graphs in figures) (30%)
- References (at least 6 to 10 related published papers/technical reports must be read and cited) (10%)
- Conclusion and articulation of issues for follow up investigation (10%)

Students must indicate their % contribution to the group work. This will be used to adjust individual student marks if necessary.

**Due date:**
Friday 17 October 2014, 11pm

**Assessment task 3**

**Title:**
Continual assessment during tutorial Participation

**Description:**
Weekly class exercises and discussions in tutorials.

**Weighting:**
5%

**Criteria for assessment:**

- Participation in tutorials
- Completion of class exercises
- Contribution to class discussions

**Hurdle requirements:**
Standard Faculty of IT hurdle requirements for postgraduate unit policy applies.

**Due date:**
Weekly (starting Week 2)

**Examinations**

**Examination 1**

**Weighting:**
60 %

**Length:**
3 hours

**Type (open/closed book):**
Closed book

**Electronic devices allowed in the exam:**
Scientific and/or financial calculators without prior programming.

**Remarks:**
Multiple choice questions plus computation and discussion questions. All materials (tutorials, readings, lecture notes/slides) are examinable.
Assessment Requirements

Learning resources

Monash Library Unit Reading List (if applicable to the unit)
http://readinglists.lib.monash.edu/index.html

Faculty of Information Technology Style Guide

Feedback to you

Examination/other end-of-semester assessment feedback may take the form of feedback classes, provision of sample answers or other group feedback after official results have been published. Please check with your lecturer on the feedback provided and take advantage of this prior to requesting individual consultations with staff. If your unit has an examination, you may request to view your examination script booklet, see http://intranet.monash.edu.au/infotech/resources/students/procedures/request-to-view-exam-scripts.html

Types of feedback you can expect to receive in this unit are:

- Informal feedback on progress in labs/tutes
- Graded assignments with comments
- Solutions to tutes, labs and assignments

Extensions and penalties

Submission must be made by the due date otherwise penalties will be enforced.

You must negotiate any extensions formally with your campus unit leader via the in-semester special consideration process: http://www.monash.edu.au/exams/special-consideration.html

Returning assignments

Students can expect assignments to be returned within two weeks of the submission date or after receipt, whichever is later.

Resubmission of assignments

Unless otherwise special permission is granted by the Lecturer, no resubmission after due date will be granted.

Referencing requirements

Please refer to the Library Guides for Citing and Referencing at http://guides.lib.monash.edu/content.php?pid=88267&sid=656564

Assignment submission

It is a University requirement for students to submit an assignment coversheet for each assessment item. Faculty Assignment
coversheets can be found at http://www.infotech.monash.edu.au/resources/student/forms/. Please check with your Lecturer on the submission method for your assignment coversheet (e.g. attach a file to the online assignment submission, hand-in a hard copy, or use an online quiz). Please note that it is your responsibility to retain copies of your assessments.

**Online submission**

If Electronic Submission has been approved for your unit, please submit your work via the learning system for this unit, which you can access via links in the my.monash portal.

**Recommended text(s)**


**Examination material or equipment**

Scientific and/or financial calculators without prior programming.
Other Information

Policies

Monash has educational policies, procedures and guidelines, which are designed to ensure that staff and students are aware of the University’s academic standards, and to provide advice on how they might uphold them. You can find Monash’s Education Policies at:

Key educational policies include:

- Student Academic Integrity Policy and Student Academic Integrity: Managing Plagiarism and Collusion Procedures;
  http://www.policy.monash.edu/policy-bank/academic/education/conduct/student-academic-integrity-policy.html
- Assessment in Coursework Programs;
- Special Consideration;
  http://www.policy.monash.edu/policy-bank/academic/education/assessment/special-consideration-policy.html
- Grading Scale;
  http://www.policy.monash.edu/policy-bank/academic/education/assessment/grading-scale-policy.html
- Discipline: Student Policy;
  http://www.policy.monash.edu/policy-bank/academic/education/conduct/student-discipline-policy.html
- Academic Calendar and Semesters; http://www.monash.edu.au/students/dates/
- Orientation and Transition; http://intranet.monash.edu.au/infotech/resources/students/orientation/
- Academic and Administrative Complaints and Grievances Policy;
  http://www.policy.monash.edu/policy-bank/academic/education/management/complaints-grievance-policy.html

Faculty resources and policies

Important student resources including Faculty policies are located at
http://intranet.monash.edu.au/infotech/resources/students/

Graduate Attributes Policy

http://www.policy.monash.edu/policy-bank/academic/education/management/monash-graduate-attributes-policy.html

Student Charter


Student services

The University provides many different kinds of support services for you. Contact your tutor if you need advice and see the range of services available at http://www.monash.edu.au/students. For Malaysia see http://www.monash.edu.my/Student-services, and for South Africa see http://www.monash.ac.za/current/.
Other Information

Monash University Library

The Monash University Library provides a range of services, resources and programs that enable you to save time and be more effective in your learning and research. Go to www.lib.monash.edu.au or the library tab in my.monash portal for more information. At Malaysia, visit the Library and Learning Commons at http://www.lib.monash.edu.my/. At South Africa visit http://www.lib.monash.ac.za/.

Disability Liaison Unit

Students who have a disability or medical condition are welcome to contact the Disability Liaison Unit to discuss academic support services. Disability Liaison Officers (DLOs) visit all Victorian campuses on a regular basis.

- Website: http://www.monash.edu/equity-diversity/disability/index.html
- Telephone: 03 9905 5704 to book an appointment with a DLO; or contact the Student Advisor, Student Community Services at 03 55146018 at Malaysia
- Email: dlu@monash.edu
- Drop In: Equity and Diversity Centre, Level 1, Building 55, Clayton Campus, or Student Community Services Department, Level 2, Building 2, Monash University, Malaysia Campus

Other

All reading materials, lecture slides and tutorial/assignment notes other than textbook chapters will be posted on the FIT5159-S2_2013 unit Moodle website prior to each week's lecture. Students are requested to do prior readings before the classes.