

COURSE SYLLABUS

YEAR COURSE OFFERED: 2015

SEMESTER COURSE OFFERED: Spring

DEPARTMENT: Finance

COURSE NUMBER: FINA7397-06 (25101) & 4397-09 (25767)

NAME OF COURSE: Research Class on Value Creation by Power Companies

NAME OF INSTRUCTOR: Christopher Ross, Executive Professor

The information contained in this class syllabus is subject to change without notice. Students are expected to be aware of any additional course policies presented by the instructor during the course.

Learning Objectives

This suite of courses is designed to provide students with an understanding of how companies in various sectors of the oil and gas industry create value for shareholders and other stakeholders. The course will introduce students to the major drivers of value for each of the industry segments and will present a framework for analyzing shareholder value creation through the financial lenses of growth, profitability and risk. The financial profiles of the segments will be reviewed in light of the strategic choices available to companies within each segment, the overall leadership models prevalent in the different segments, and the distinctive capabilities required for successful execution.

Major Assignments/Exams

The intent will be to publish a report on the findings for each sector that will provide a deeper, more objective and longer term comparative analysis of value creation by companies within the study sector than is generally available from financial analysts. The summary reports will focus on the strategic implications of the successes and failures of the studied companies and the strategic lessons that can be drawn from these results. Students will benefit from an enhanced ability to connect what companies do and how they do it with the value they create for shareholders. Each student will be required to research and write a background report on a specific company and participate in teams to analyze drivers of value.

Required Reading

None

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Recommended Reading

Terra Incognita: A Navigation Aid for Energy Leaders by Ross and Sloan; a selection of articles and reports providing background on energy projections and issues will be made available on Blackboard.

List of discussion/lecture topics

Students will evaluate the relative performance of companies within a specific segment of the industry. Students will be asked to research financial statements using S&P Capital IQ, build out the financial performance data for the company or companies they have been assigned and compare the performance of their target company with its peers. From investor presentations, students will characterize the strategic portfolio and business model choices made by their target company, its leadership and organizational philosophy and its distinctive capabilities.

The Spring 2015 class will study the Power sector including traditional electric utilities, international power and gas companies, independent power generators and companies focused on renewable energy sources.

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