



UNIVERSITY *of* MARYLAND
EASTERN SHORE

SCHOOL *of* BUSINESS AND TECHNOLOGY
Department of Hospitality and Tourism Management

Richard A. Henson Center, Room 2100
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COURSE OUTLINE – SYLLABUS

1. GENERAL INFORMATION:

- 1.1 Course: HMGT 440 – Financial Analysis for the Hospitality Industry - 3 Credit Hours
- 1.2 Meeting Time: MW – 4:00 p.m. – 5:15 p.m., Henson Center Room 1130
- 1.3 Instructor: Katherine A. Quinn, Ph.D., CHE
kaquinn@umes.edu, 410-651-7876, RHC Room 1125
- 1.4 Text: Schmidgall, Raymond, 8th Edition 2017, “*Hospitality Industry Managerial Accounting*”, Educational Institute of AHMA.
- 1.5 Office Hours: M 11am – 4pm, W 11am – 2pm, TTH 11am. – 1pm
- 1.6 **HTM Department Mission and Philosophy:** The mission of the Department of Hospitality and Tourism Management (HTM) within the School of Business and Technology is to prepare entry level hospitality management professionals with **essential skills** for long term hospitality career success and industry leadership. HTM also fosters research and service of direct application and benefit to the State of Maryland and the global hospitality industry (UMES Undergraduates Catalog: 2015-16).
- 1.7 **Disability Statement:** Students capable of success, regardless of their disabilities are admitted to the university. The faculty and staff of the University of Maryland Eastern Shore work cooperatively to assist their students in achieving their educational goals. Moreover, students with disabilities are accommodated in accordance with both federal and state laws. To receive special accommodations for a disability, the student must register with Student Disability Services (SDS) before any accommodations can be granted. At the time of registering for disability services, please bring documentation to support your claimed disability. The documentation must be recent and provided by a licensed professional with expertise in the special disability area. If you have any

questions about disability services or accommodations, please contact Dr. Dorling K. Joseph at (410) 621-3446. Student Disability Services (SDS) is located in the Student Services Center (SSC, Suite 2165).

2. **COURSE DESCRIPTION:**

This course provides a comprehensive study of financial analysis concepts and techniques necessary for managerial decision making. Ratio analysis, operations budgeting, cost approaches to pricing, capital budgeting and investment, managing working capital, and feasibility studies are emphasized. (UMES Undergraduates Catalog: 2013-15)

3. **COURSE OBJECTIVES:**

3.1 **General:** This course provides students with a basic understanding and working knowledge of ratio analysis as a means of interpreting information reported on financial statements, cost concepts, cost-volume-profit analysis, operations budgets, cost approaches to pricing, capital budgeting and investment, cash budgets, managing working capital, feasibility studies, and financial goals, and information systems. Comprehensive problem solving exercises will support all lectures.

3.2 **Program Learning Outcomes (PLOs) (#3):**

3.2.1 PLO #3 - Quantitative Competence: Initiate and APPLY financial decision making processes and documents necessary for cost effective customer/guest satisfaction management in hospitality establishments.

3.3 **Course Learning Outcomes (CLOs):** Upon completion of this course students will be able to:

3.3.1 Analyze and interpret corporate financial statements using ratio analysis. – (3)*

3.3.2 Use various methods to estimate fixed and variable elements of a mixed cost. –(4)*

3.3.3 Use CVP equations in single and multiple product environments to determine required revenue. –(4)*

3.3.4 Apply formal cost approaches to pricing food, beverages, and rooms. –(4)*

3.3.5 Describe the budget control process and explain how significant variances are determined. –(5)*

3.3.6 Identify types of capital budgeting decisions. (-5)*

3.3.7 Use financial decision-making techniques to determine whether seasonal businesses should remain open off-season. –(4)*

3.3.8 Explain terms of realty leases and how to choose between fixed and variable leases. – (5)*

***(Bloom's taxonomy learning level)**

4. CONDUCT OF COURSE:

4.1 **Prerequisites:** HTM or PGM Major, FMGT 301, HMGT 340, Curriculum Area II (Economics), and Curriculum Area IV (Mathematics) requirements must be met.

4.2 **Attendance:** (Reference UMES and HRM Dept. Policy)

4.2.1 Class attendance is compulsory for all students.

4.2.2 Each student is permitted a number of "unexcused absences" equal to the number of semester hours the course yields.

4.2.3 For every class period missed beyond the days allowed, a reduction of one (1) letter grade is permitted. Thus, class attendance is paramount. In the service industry, tardiness is not acceptable.

4.2.4 "Excused absences" are those absences incurred by the student's participation in college class-sponsored activities. Examples include band, chorale, gospel choir, athletic teams, field trips, etc.

4.2.5 Every student is responsible for informing his/her teacher(s) of impending absence(s) from class when the student has such information beforehand.

4.2.6 For every class period missed beyond the two (3) days allowed a reduction of one (1) letter grade is permitted.

Thus, class attendance is paramount. In the service industry, tardiness is not acceptable. Students not present at the beginning of class are counted as absent.

4.3 **Activities:**

4.3.1 Classroom Activities

Lecture, discussion, practice exercises, and quizzes. Exercises and problems from the book will be used to help learn the difficult topics covered in this class. Text books are required and should be brought to each class. Several assignments and problems will be done in class.

4.3.2 Homework

Homework assignments must be submitted into blackboard when due. Students are advised to make duplicate copies of all assignments for study reference and review. Students are responsible for checking for the assignments – failure to do so will result in missing assignments and loss points. There is NO PROVISION for late submissions unless in compliance with University Compliance Policy regarding excused absences. **I will not accept any assignments pasted into the Comments section of Blackboard. I will not accept any assignments attached to email even if you submitted the wrong assignment by mistake.**

4.3.3 Chapter Analysis

Students will be assigned chapter T/F, discussion and multiple choice questions, and word completion statements for a specific chapter. Each student will be assigned different material and will work independently during the scheduled class time. Students will be required to provide supporting documentation from the chapter (supporting statement, page and paragraph #s) for each response. All work must be completed in Word and submitted into blackboard by Wednesday, December 7, 2017.

4.3.4 Hotel Financial Analysis Project

Each students will be assigned a publically-traded hotel company and required to complete a Financial Statement Analysis Project by Monday, December 12, 2017. Details of the project are outlined in a separate document.

4.4 Academic Honesty: - See University Handbook for policy and enforcement

Students are expected to do their own work and neither to give nor to receive assistance during quizzes and examinations or to turn in the work of someone and claiming it as your own. **The minimum sanction for cases of proven cheating is failure of the course.**

5. FINAL GRADE DETERMINATION

In general, students are responsible for all assignments, including guest lecturers, films, textbook reading, handouts, and reports by classmates.

However, final grade will specifically be determined as follows:

	Points	%	
Exams	4 @ 160 points each	640	64%
Hotel Financial Analysis Project		120	12%
Chapter Analysis		50	5%
Chapter Assignments & comprehensive problems		<u>190</u>	<u>19%</u>
	4 @ 45 points each	1000	100%

Syllabus Changes: The professor reserves the right to make adjustments to the syllabus and assignments and their point value, on an as needed basis. All students will be notified of any changes and provided with an updated syllabus.

6. REFERENCES

Weygandt, J. J., Kieso, D. E., Kimmel, P. D., DeFranco, A. L., *Hospitality Financial Accounting*, 2nd Edition, 2017, John Wiley & Sons, Inc.

Jagels, Martin G., *Hospitality Management Accounting*, 9th Edition John Wiley & Sons, Inc.

7. SCHEDULE OF DATES, TOPICS, AND ASSIGNMENTS

FINANCIAL ANALYSIS FOR THE HOSPITALITY INDUSTRY COURSE OUTLINE

Date	Topic	Assignment	Points
Monday, August 28, 2017	Intro, Hospitality Financial Accounting Hospitality Financial Accounting	Syllabus Review Chapter 1	
Wednesday, August 30, 2017	Hospitality Financial Accounting	Chapter 1	
Monday, September 4, 2017	<i>Labor Day - Holiday</i>	<i>Campus Closed</i>	
Wednesday, September 6, 2017	Understanding Financial Statements	Chapter 2	
Monday, September 11, 2017	Understanding Financial Statements	Chapter 2	
Wednesday, September 13, 2017	Analysis & Interpretation of Financial Statements	Chapter 3	
Monday, September 18, 2017	Analysis & Interpretation of Financial Statements	Chapter 3	
Wednesday, September 20, 2017	Review Session	Chapters 1 - 3	
Monday, September 25, 2017	Examination #1	Homework Due Chapters 1 – 3	45 160
Wednesday, September 27, 2017	Ratio Analysis	Chapter 4	
Monday, October 2, 2017	Ratio Analysis	Chapter 4	
Wednesday, October 4, 2017	Internal Control	Chapter 5	
Monday, October 9, 2017	The Bottom Up Approach to Pricing	Chapter 6	
Wednesday, October 11, 2017	The Bottom Up Approach to Pricing	Chapter 6	
Monday, October 16, 2017	Review Session	Chapters 4 - 6	
Wednesday, October 18, 2017	Mid-term Exam - Examination #2	Homework Due Chapters 4 - 6	45 160
Monday, October 23, 2017	Cost Management	Chapter 7	
Wednesday, October 25, 2017	Cost-Volume-Profit Analysis	Chapter 8	
Monday, October 30, 2017	Cost-Volume-Profit Analysis	Chapter 8	
Wednesday, November 1, 2017	Review Session	Chapters 7 - 8	
Monday, November 6, 2017	Examination #3	Homework Due Chapters 7 – 8	45 160
Wednesday, November 8, 2017	Operations Budgeting	Chapter 9	
Monday, November 13, 2017	Operations Budgeting	Chapter 9	
Wednesday, November 15, 2017	Statement of Cash Flows & Cash Mgt	Chapters 10 - 11	
Monday, November 20, 2017	No class – work on projects		
Wednesday, November 22, 2017	<i>Thanksgiving Break - University Closed</i>		
Monday, November 27, 2017	Review Session	Chapters 9 - 11	
Wednesday, November 29, 2017	Examination #4	Homework Due Chapters 9 –11	45 160
Monday, December 4, 2017	No class – study/work on projects		
Wednesday, December 6, 2017	Chapter Analysis	Chapter Analysis Due	50
Monday, December 11, 2017	Individual Project – Financial Analysis	Hotel Analysis	120
TOTAL Points			1000