Syllabus of Module

6. Creating a Financial Strategy

Lecturer: Ing. Lenka Lamešová

Module Annotation

The overall business strategy of a company is just as crucial for its success as a project plan is for building a house. Without precise and realistic planning, no company today can achieve significant and long-term success.

For a clear and effective strategy development, the overall business strategy should be divided into sub-strategies, with the most essential being the marketing strategy and the financial strategy. These strategies are based both on market needs and conditions on one side and on the business owner's vision for the company on the other.

One of the fundamental tools for financial management within a company is the establishment of an appropriate financial strategy, which must be well-prepared. A properly chosen financial strategy should be regularly updated based on achieved goals, making it a fundamental pillar of a company's prosperity.

At the beginning of the module, attention will be given to the objectives of financial strategy, along with the process, tools, and principles of creating long-term and short-term plans. The next section will focus on financial analysis, which, along with financial planning, serves as a crucial foundation for developing a financial strategy. This chapter will cover methods and approaches to gathering the necessary data for conducting a financial analysis, which provides insights into the company’s financial health and stability.

Another part of the module is dedicated to investment decision-making, including its principles, methods, and tools. Investment decision-making plays an indispensable role in financial strategy formulation, as it represents a key long-term decision-making process that significantly impacts the company's market value (either positively or negatively). Students will be introduced to various criteria for evaluating the economic efficiency of investments, including the role of risk in investment decision-making.

Module Objective

To familiarize students with the functions, tools, and processes of financial strategy development.

Literature

1. FOTR, Jiří, Emil VACÍK, Ivan SOUČEK, Miroslav ŠPAČEK a Stanislav HÁJEK. Tvorba strategie a strategické plánování: teorie a praxe. 2., aktualizované a doplněné vydání. Praha: Grada Publishing, 2020. Expert (Grada). ISBN 978-80-271-2499-2.

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3. HRDÝ, Milan – KRECHOVSKÁ, Michaela. Podnikové finance v teorii a praxi. 2. vydání. Praha: Wolters Kluwer ČR, 2016. ISBN 978-80-7552-449-2.

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