



**COURSE: FIN 472**

**INVESTMENT BANKING INDUSTRY SCHOLARS PROGRAM (IBIS)**

**Term: Fall 2024 SLN: 68489**

**Professor: Werner Bonadurer, PhD**

**Office: BAC 563; Telephone (cell): 480-433-1871**

**Office Hours: By appointment** (in-person or Zoom-based)

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**Classes start on August 26 and end on December 4, 2024**

**Mon 6:00-7:15/Wed 6:00-7:15pm in BAC 258**

**Student Leaders Class of 2025**

**Andre M. Anderson** -- E-mail: [amande62@asu.edu](mailto:amande62@asu.edu)

**Maximilian E. Fritsch** – E-mail: [mefritsc@asu.edu](mailto:mefritsc@asu.edu)

**Alexander P. Weekes** – E-mail: [apweekes@asu.edu](mailto:apweekes@asu.edu)

**Previous Student Leaders**

**2024: William Freiheit, Colton Seykora, Eugenia Trakal**

**2023: Jordan Micheels, Nicholas Fox, Ariya Fares**

**2022: Calvin Goodan, Chloe Marquez, Gursimar Wadhwa**

**2021: Neil Advani, Jason Buyer, Olivia Harris**

**2020: Syed Abbas Haider, Adrian Kania, Marshall D. Stovall**

**2019: Lexi Bennett, Andrew Fox, Will Hughes**

**2018: Sean Eghlimi, Eli Schiffman, Austin Sliwicki**

**2017: Charles Goode, John Lauro, Brandon Shirk**

**2016: Stephan McAleer, Samir Reddy, Katherine Wu**

**2015: Steven Kaye, Sean Lukemire, Hisham Mirza**

**2014: Autumn Coleman, Bradley Johnson, Kishan Patel**

**2013: Lorne Forcum, Sean Gormley and Adrian Reiter**

**2012: Michael Cohn and Brock Miller**

**2011: Steven Kutos and Taxi Wilson**

**2010: Dana Emery, Cole Jackson, and Vincent Mendez**

**2009: Aaron Gladstone, Jesse Mayfield, and Colby Wise**

**Career Management and Employer Engagement**

**TBD**

## ***High level course description***

The IBIS program is a highly selective and content-targeted program offered through the Finance Department of the W.P. Carey School of Business dedicated to educating students on the investment banking industry. In addition to sessions instructed by faculty and guest lecturer, the selected student leadership team plays a preeminent role with respect to conducting classes and overseeing assignments.

The Career Management and Employer Engagement office supports the program with specific on-demand career management advise.

## **Course Description**

IBIS focuses on investment banking organizational structures, services and products, risks, earnings, regulations, innovations, and competition. We will analyze the functions of the “banking” business (corporate finance advisory, M&A, debt and equity capital markets), the “sales and trading” business (client-related sales and trading and proprietary trading) and other investment banking-related businesses (e.g., institutional asset management, hedge funds, private equity, venture capital). In addition, we will review innovative Wall Street securities, instruments, and advisory products. Furthermore, we will explore investment banking relationships with corporate and institutional clients. Finally, the program reviews different career paths within the industry and exposes students to Wall Street practitioners.

Understanding what determines the value of a firm/business/asset and how to estimate that value is a prerequisite for making rational business decisions. Entire industries (investment banking, asset management, consulting, etc.) have grown prosperous providing valuation to investors and corporate managers. One objective of IBIS is to give a general grounding in the valuation approaches used by successful practitioners. We cover discounted cash flow models, market multiple models, as well as specialized models used for M&A transactions and LBOs. We focus on valuation of businesses at the divisional and corporate levels. The course emphasizes practical and “real world” applications of valuation methodologies.

The course is of interest to those contemplating careers in investment banking, institutional asset management, hedge funds, private equity, and related businesses.

## **Learning Goals, Course Objectives, and Course Learning Outcomes**

The Undergraduate Program of the W.P. Carey School of Business has established the following learning goals for its graduates:

- 1. Critical Thinking**
- 2. Communication**
- 3. Discipline Specific Knowledge**
- 4. Ethical Awareness and Reasoning**
- 5. Global Awareness**

Upon completion of IBIS, students will have the ability to do the following:

- Determine the valuation for any public or private company whether for purchase or sale, investment of a minority interest, going public in an IPO, implementing an LBO, or a restructuring.
- See clearly how industry fundamentals and competitive forces directly impact financial results and, in the process, drive stock valuation.
- Assess whether a company is creating value for its shareholders.
- Pull apart the financial statements to get at the relevant information for valuing equities.
- Identify “red flags” that indicate manipulation of financial statements and/or an impending liquidity crisis.
- Evaluate merger and acquisition opportunities.
- Understand how financial decisions interact with the decisions made in other functional areas of the business, e.g., corporate strategy, marketing, production/operations management, etc.
- Assess domestic and international financial market developments (macro and micro trends) and investor behavior.

Note that many outcomes of the above also dependent on acquired knowledge in other courses IBIS students take as part of their undergraduate studies.

IBIS provides a window into elite Wall Street financial services firms. As they pertain to investment banking (including institutional asset management, hedge funds, private equity) you will understand the following.

- Expectations for skills and behavior.
- Expectations for work and performance.
- Career paths and hiring practices.
- How to build an effective resume.
- How to interview for internships and permanent positions.
- How to network.
- How to effectively present.
- How to effectively collaborate.
- How to enhance your job market value.

Obviously, given this lengthy list of learning objectives, IBIS is extremely ambitious. Fortunately, you are all in this together and can rely on each other to make every one of you more effective. Admission to the program is highly selective and being part of any IBIS cohort requires that students bring along a high degree of self-motivation and self-learning discipline.

IBIS uses lectures, group discussions, analysis of cases, group and individual projects, and individually driven contributions. In addition, the program will be enriched by conference calls with IBIS alumni and senior investment banking practitioners.

## Required Textbook and Other Materials

- Stowell, David P. *Investment Banks, Hedge Funds, and Private Equity*.
- Castillo, Jerilyn J. and McAniff, Peter J. *The Practitioner's Guide to Investment Banking, Mergers & Acquisitions, Corporate Finance*.
- Rosenbaum, J. and Pearl, J. *Investment Banking. Valuation, Leveraged Buyouts, and Mergers & Acquisitions*.

Additional reading materials as discussed during the course (including vault guides, case study notes).

## Grading and Course Policies

### Grades

- |                                      |     |
|--------------------------------------|-----|
| • Attendance and participation:      | 40% |
| • Projects:                          | 20% |
| • Assignments, incl. tests, quizzes: | 20% |
| • Peer Review:                       | 20% |

Course letter grades will be assigned using the plus/minus system. As a rough guideline, students should target a performance level of at least 90 percent to earn an A- or above, 80 percent to earn a B- or above, and 70 percent to earn a C.

Dates for any assignments, tests, quizzes, case studies, etc. will be announced in a timely fashion in the IBIS Week-by-Week schedule.

There is no opportunity in FIN 472 to do extra-credit work.

### Grade Appeals/Changes

If for some reason an error has been made in grading or recording an assignment, students must submit a written request to the IBIS Faculty Director for review, with explanation and reason for credit, within one week of the date that the assignment score was made available.

## Homework

There is extensive assigned and unassigned reading, case analysis, market reconnaissance, corporate analysis, deal research and other homework.

## **Lectures**

The basic theoretical underpinnings of the various topics covered are a prerequisite to intelligent analysis and problem solving. The intention is to provide IBIS members with the conceptual basis for performing analysis, providing advice, and making decisions in elite financial services firms. Because of the practical importance of the material, we will apply this material in analyzing several case situations.

## **Case Analysis**

In all, we will analyze several cases during the program year.

### **The Case Method**

Discussions with students in and out of class, plus comments on course evaluations, highlight several areas of uncertainty regarding case courses. To gain some perspective on the case method, I recommend that you read the article by Lane Cooper on "Louis Agassiz as a Teacher."

Please note that no absolutely "correct" solution exists in most case analyses. Reasonable individuals often make different, but acceptable, assumptions about the future. The recommended course of action undoubtedly will be driven by these assumptions. Accordingly, as we discuss the cases, I will not be looking for a "correct" and "unique" solution.

Even so, both the IBIS Faculty Director and the student leadership team will try to provide some guidance as to how to approach the cases. To this end, for each case, the course leaders will provide several questions that would be appropriate to consider in confronting the case problem. Keep these in mind as you read and analyze the cases. For the purposes of discussion, place yourself in the case situation.

### **Additional Remarks**

In discussion of cases, the material in the texts, chapter questions, economic and market events, financial assets, and career content, your contribution to the discussion as an individual is an important indication of progress and preparedness. Thoughtful and assertive feedback and input from you facilitates the learning process and makes IBIS lively, interesting, and effective.

It is imperative that each person in the class be treated with respect and sensitivity. All individuals in the class have the right to present their questions/observations/analysis without concern that they will be intimidated by their classmates or IBIS leaders, or will be greeted with derision, contempt, or disregard. This ground rule does not imply that disagreements should not occur, or that statements should not be challenged or extended. To the contrary! Nevertheless, reactions to an individual's comments should be offered with a constructive tone, e.g., as an alternative way of looking at an issue. In short, while we encourage all participants to be thoughtful and parsimonious in their remarks, we want to create an environment that encourages risk-taking, sharing experiences, and experimentation with unconventional viewpoints and approaches. We will all learn a great deal more from each other, and have more fun in the process, if we create this type of atmosphere. Certainly, the appropriate use of humor by all participants is encouraged.

## Weekly Schedule of Assignments

Please see the detailed course schedule posted on the course Canvas website and e-mailed prior to the start of classes. Note that the schedule allows for some flexibility and will be frequently updated. The week-by-week schedule is an integral part of the course syllabus outlined in this document.

## Classroom Policies

Laptops may be used in class for activities related to discussion and for notes taking. Checking emails, texting, or surfing the Internet during class is not acceptable and will be considered a violation of policy. Cell phones must be switched off during classes.

## Academic Integrity and Ethical Behavior

Important: Please see the Academic Integrity Policy at:  
<https://students.wpcarey.asu.edu/resources/professionalism-policy>

The W. P. Carey School takes academic integrity very seriously. The University policy will be fully adhered to in this course.

Therefore, unless otherwise specified, it is imperative that you do your own work. Any suspected violations of academic integrity will be taken seriously and result in the following sanctions:

- A minimum of zero on the assignment OR
- A reduced grade in the course OR
- A failure in the course OR
- An XE which denotes failure due to academic dishonesty on the transcript OR
- Removal from the W. P. Carey School of Business

Some of the cases used in this class may have been used before at ASU or other institutions. Students may not consult with students previously enrolled in this class, their class notes, or materials that were otherwise provided in the past. Moreover, students may not use materials or solutions from other institutions (e.g., posted on the Internet), unless the instructor advises them to do so for a given assignment.

## Honor Code

Please refer to the link below for more details:

<https://students.wpcarey.asu.edu/resources/professionalism-policy>

## Use of Generative AI Permitted Under Some Circumstances or With Explicit Permission

Some assignments in this course may include or allow use of Artificial Intelligence (AI), including ChatGPT or related tools for the creation of text, images, computer code, audio, or other media. The instructor will inform you when, where and how you may use these tools, and provide guidance for attribution. Use of generative AI tools in any other context in this course will be considered a violation of the ASU Academic Integrity Policy, and students may be sanctioned for confirmed, non-allowable use. If at any point you have questions about what is permitted, contact the instructor to discuss *before* submitting work.

## Absences - Students

Attendance and participation in class activities is an essential part of the learning process, and students are expected to attend class regularly. Chronic absences and late arrivals will have a detrimental effect on the learning outcome. If someone is unable to attend a class, it will be up to him/her to ensure that missed notes, handout materials, etc. are obtained.

Some absences are, however, unavoidable. Excused absences for classes include: (1) a university-sanctioned event [ACD 304-02]; (2) religious holidays [ACD 304-04]; (3) work performed in the line-of-duty according [SSM 201-18]; and (4) illness, quarantine or self-isolation related to illness (see also comments below).

Anticipated absences for university-sanctioned events, religious holidays, or line-of-duty activity should be communicated to the instructor by e-mail at least one week before the expected absence.

Absences for illness, quarantine or self-isolation related to illness should be documented by a health professional (Student Health Services or other medical providers) and communicated to the instructor as soon as possible by e-mail. Note that students are not required to report the specific reason for their illness. Documentation may simply indicate that they require accommodation. Important: Students who feel or are sick, and/or meet the CDC criteria to self-isolate should not come to class.

Excused absences do not relieve students of responsibility for any part of the course work required during the period of absence. The faculty will provide reasonable accommodation that may include participation in classes remotely, access to recordings of class activities, and make-up work. If there is a disagreement as to whether an absence should be accommodated, the instructor and student should contact the academic unit chair immediately for resolution.

## Instructor Absence Policy

In the event the instructor fails to be present on time in the classroom students should wait at least 20 minutes. Students may be directed to wait longer by someone from the academic unit if they know the instructor will arrive shortly.

## **Prohibition against Discrimination, Harassment, and Retaliation**

Title IX is a federal law that provides that no person be excluded based on sex from participation in, be denied benefits of, or be subjected to discrimination under any education program or activity. Both Title IX and university policy make clear that sexual violence and harassment based on sex is prohibited. An individual who believes they have been subjected to sexual violence or harassed based on sex can seek support, including counseling and academic support, from the university. If you or someone you know has been harassed based on sex or sexually assaulted, you can find information and resources at: <https://sexualviolenceprevention.asu.edu/faqs>.

As a mandated reporter, students are obligated to report any information they become aware of regarding alleged acts of sexual discrimination, including sexual violence and dating violence. ASU Counseling Services, <https://eoss.asu.edu/counseling>, is available to discuss any concerns confidentially and privately.

## **Religious Accommodations**

Accommodation will be made for students on religious holidays. Below is the (website-link) calendar of official religious holidays. Each holiday noted with two asterisks denotes an observance for which work is not allowed. For these holidays, students will not be penalized in any way for missing class or assignment. This means that this will not count as an absence in class, and they will be granted a makeup assignment or exam, etc.

<https://public.powerdms.com/ASU/documents/1541225>

All requests for accommodation must be submitted by the end of the first week of class.

## **University-Sanctioned Activities**

As mentioned above, accommodation will be made for students who miss class related to university-sanctioned activities according to ACD 304-02. If you are participating in a university-sanctioned activity, please let your instructor know as early in the course as possible so that accommodation can be made.

<https://public.powerdms.com/ASU/documents/1557490>

## **Tutoring Support and Writing Assistance**

Please note that the W. P. Carey School of Business provides free tutoring in BA 201 for several undergraduate business classes.

More information regarding courses offered and hours are available here:

<https://students.wpcarey.asu.edu/resources/student-success-centers>

In addition to the W. P. Carey Student Success Center, Arizona State University provides writing assistance through multiple platforms. More information can be found here:

<https://tutoring.asu.edu/student-services/writing-centers>



Furthermore, the W. P. Carey School of Business provides a variety of support services to our international students at the Global Education Center in BAC 119.

More information can be found here: <https://students/wpcarey.asu.edu/resources/international-students/cultural-events>.

## **Threatening Behavior Policy**

The university takes threatening behavior very seriously and these situations will be handled in accordance with the *Student Services Manual*, SSM 104-02

<https://public.powerdms.com/ASU/documents/1560490>

## **Student Accessibility and Inclusive Learning Services (SAILS)**

Students needing accommodation for a disability must be registered with the Student Accessibility and Inclusive Learning Services. See the following website:

<https://public.powerdms.com/ASU/documents/1560606>

## **Offensive Material**

If the FIN 421 course requires material that could be deemed offensive by some students, students should bring this to the instructor's attention or that of the unit chair or director.

## **Copyright Material**

Note that the course content, including lectures, is copyrighted material and students may not sell notes taken during the conduct of the course.

Students must refrain from uploading to any course shell, discussion board, or website used by the course instructor or other course forum, material that is not the student's original work, unless the students first comply with all applicable copyright laws; faculty members reserve the right to delete materials on the grounds of suspected copyright infringement.

See [ACD 304–06](#), “Commercial Note Taking Services” for more information.

## **IBIS Faculty Director**

For background information on the instructor please go to:

[http://wpcarey.asu.edu/apps/directory/facultyDocs/pro\\_Bonadurer\\_2219643.pdf](http://wpcarey.asu.edu/apps/directory/facultyDocs/pro_Bonadurer_2219643.pdf)

## **Student Leadership Team**

Please refer to the front page of this syllabus for the class of 2025 IBIS class leaders.

## **Feedback**

The instructor/the student leadership team strongly encourages students to provide feedback about the course at any given time throughout the term. Any comments, suggestions, critiques (very important) about any issue/topic are most welcome and help to improve the learning experience of all.

## **Miscellaneous**

The *Canvas* platform is being used to distribute additional course material and make relevant course announcements.

A copy of the class roster is posted on the course Canvas site.

**Note that class sessions may be recorded, and recordings provided to enrolled students, instructors, or instructional support personnel. If students have concerns about being recorded, please contact the course instructor.**

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**The Information in the course syllabus, other than grade and absence policies, may be subject to change with reasonable advance notice.**