

Finance and Corporate Governance

Code: 41983

ECTS Credits: 10

2025/2026

Degree	Type	Year
Management, Organization and Business Economics	OB	0

Contact

Name: Florina Raluca Silaghi

Email: florina.silaghi@uab.cat

Teachers

Miguel Angel Garcia Cestona

Florina Raluca Silaghi

(External) Aleix Calveras Maristany

(External) Antoni Vaello Sebastià

(External) Bartomeu Pascual Fuster

(External) Demián Nicolás Macedo Macedo

(External) Elena Ferrer Zubiate

(External) Elpiniki Bakaouka

(External) Isabel Abinzano Guillén

(External) Rafel Crespí Cladera

Teaching groups languages

You can view this information at the [end](#) of this document.

Prerequisites

No previous requirements are needed, although some general knowledge in statistics and optimization are welcome.

Objectives and Contextualisation

This module wants first to provide a relatively non-technical approach to modern microeconomic theory, and after that, it covers the major topics in corporate finance and corporate governance theory, with an emphasis on recent contributions and research questions. The main message we want to get through is that many situations can best be analyzed by (1) thinking about what's really going on in the "real world", (2) making use of the tools of microeconomics to re-interpret the problem and develop a simple model, and (3) thinking

carefully about how to solve the model. For the first part, this will be illustrated in several areas, including information problems, certain aspects of monopoly theory, and oligopoly theory. The student will learn the topics covered in a traditional course such as: consumer theory, firms' decision-making and market structure, general equilibrium as well as information theory. The student will handle mathematical techniques for dealing with these issues. Therefore, by the end of the module the student will have enough bases to rigorously approach all sorts of topics covered in business strategy, corporate governance, finance and the theory of organizations.

For the remaining parts, this module covers the major topics in corporate finance, finance and corporate governance theory, with an emphasis on recent contributions and research questions. Having the students basic notions in finance, contract theory and game theory, the course will specially focus on corporate governance problems. The lectures will be on financial contracting under asymmetric information, incomplete contracts, control and corporate governance, and financial intermediation.

Competences

- Analyse the behaviour and the interrelationships among the different agents interested in the company's future.
- Apply knowledge of quantitative economics in the analysis of company financial policies.
- Be able to evaluate inequalities for reasons of sex and gender to design solutions.
- Develop a critical and a constructive attitude to one's work and that of others.
- Develop an ethical, social and environmental commitment.
- Display knowledge of the economic and institutional environment in which the economic agents interact within, or through, economic organisations.
- Explain and motivate the analyses, interpret the results and present all these clearly and concisely in English.
- Identify the relevant sources of information and their content for subsequent analysis.
- Leadership and decision-taking capability.
- Make use of quantitative documentary sources that are significant for the economic analysis of organisations from a critical perspective.
- Master the technical and IT tools needed to carry out applied studies.
- Present research results to various audiences using the different media available.
- Understand qualitative models of the firm and interpret their results.
- Understand the process of capital markets formation, their characteristics and their evolution for a better understanding of company governance.
- Work in multidisciplinary international teams.

Learning Outcomes

1. Apply knowledge of quantitative economics in the analysis of company financial policies.
2. Develop a critical and a constructive attitude to one's work and that of others.
3. Develop an ethical, social and environmental commitment.
4. Explain and motivate the analyses, interpret the results and present all these clearly and concisely in English.
5. Identify contributions from gender studies in the subject of research.
6. Identify the characteristics of the different agents linked to the company.
7. Identify the relevant sources of information and their content for subsequent analysis.
8. Know and distinguish the characteristics of the different business databases.
9. Know the different models of corporate governance.
10. Leadership and decision-taking capability.
11. Master the technical and IT tools needed to carry out applied studies.
12. Present research results to various audiences using the different media available.
13. Show mastery of the characteristics of the financial markets.
14. Understand and show mastery of the relationship with the firm.
15. Understand the current models of microstructure.

16. Understand the determining factors of government structures.
17. Understand the process of capital markets formation, their characteristics and their evolution for a better understanding of company governance.
18. Work in multidisciplinary international teams.

Content

The first part of the module will approach topics covered in a traditional Microeconomics course. The student will handle mathematical techniques for dealing with these issues. For the remaining parts, this course covers topics on finance and corporate finance, corporate governance, and some recent contributions and research questions.

The module have been divided in four parts: microeconomics, finance, corporate governance and additional research topics.

The following topics will be covered in Economics of Markets (Microeconomics):

1. Economics as a Behavioral Science. See how economists might think about a variety of problems
2. Consumer Behavior and Choice under Uncertainty
3. Production Theory and Production Costs
4. Profit Maximization and Monopoly
5. Oligopoly Theory
6. Information Economics
7. Information Economics. An Institutional Approach.

The following topics will be covered in Finance and Markets:

8. Risk, return and diversification
9. Portfolio theory
10. Simplifying portfolio theory
11. The capital asset pricing model
12. Valuing real assets
13. Capital structure

The following topics will be covered in Corporate Governance:

14. Introducing Capital Structure: Modigliani-Miller Theorems
15. Bankruptcy Costs and Debt Holder - Equity Holder Conflicts
16. Capital Structure and Corporate Strategy
17. Ownership and Control
18. Corporate governance and performance
19. Regulation and best practice codes

The following topics will be covered in the Seminar in Finance and Markets:

20. Market efficiency: Theory and empirical evidence

21. Behavioral Finance.

22. Financial Risks: Measures of credit risk

A detailed description of their contents can be found at:

<https://www.uab.cat/web/estudiar/official-master-s-degrees/general-information/management-organization-and-bi>

Activities and Methodology

Title	Hours	ECTS	Learning Outcomes
Type: Directed			
Directed	100	4	10, 16, 9, 8, 3, 15, 14, 6
Type: Supervised			
Supervised	25	1	18, 12, 2, 11, 13, 7
Type: Autonomous			
Autonomous	85	3.4	8, 3, 2, 13, 14, 4

The module combines theoretical lectures and practical sessions that require the dynamic participation of students. Learning activities include: following lectures on the main topics, solving and handling problem sets and computer exercises, reading and critical reviewing of papers. All this is an interactive fashion. Case preparations and in-class discussions will also become important benchmarks of student progress. In-class discussions give students an opportunity to apply material from the class to real-world problems. Other class sessions will be primarily dedicated to lecture material and shorter discussions.

The proposed teaching methodology may undergo some modifications according to the restrictions imposed by the health authorities on on-campus courses.

Annotation: Within the schedule set by the centre or degree programme, 15 minutes of one class will be reserved for students to evaluate their lecturers and their courses or modules through questionnaires.

Assessment

Continuous Assessment Activities

Title	Weighting	Hours	ECTS	Learning Outcomes
Assignments	40	16	0.64	18, 16, 8, 11, 15, 14, 6, 5, 7
Class Participation	10	4	0.16	10, 12, 3, 2, 4, 5
Exams	50	20	0.8	1, 16, 17, 9, 3, 13, 14, 4

For this course, the use of Artificial Intelligence (AI) technologies is permitted exclusively for support tasks, such as bibliographic or information searches, text editing, or translations. Students must clearly identify which parts have been generated using AI technologies, specify the tools used, and include a critical reflection on how these tools have influenced both the process and the final outcome of the activity. Lack of transparency in the use of AI in assessed tasks will be considered a breach of academic integrity and may result in partial or total loss of marks for the activity, or more severe sanctions in serious cases.

Continuous evaluation

The evaluation system of the module includes:

- Assignments (solving problems sets, presentation of critical reviewing of papers, final essay)
- Class Participation (case and news discussion, short debates)
- Test (midterm and final exam)

The student will pass the module when the final mark is equal or higher than five (over ten).

The proposed evaluation activities may undergo some changes according to the restrictions imposed by the health authorities on on-campus courses.

A student who does not attend any assessable test is considered 'not assessable'. Therefore, a student who completes any component of continuous assessment can no longer be classified as 'not assessable'.

Single assessment

An exam of the four subjects of the module with a weight of 100%. The same recovery system will be applied as for continuous evaluation. The review of the final qualification follows the same procedure as for the continuous evaluation. A student who does not attend the exam is considered 'not assessable'.

Bibliography

Most relevant bibliography:

Books:

Bowles, Samuel (2004); "Microeconomics, Behavior, Institutions and Evolution"; Russell Sage Foundation and Princeton University Press.

<https://www-degruyter-com.are.uab.cat/document/doi/10.1515/9781400829316/html>

Hillier, D., Grinblatt, Mark and Sheridan Titman (2011), "Financial Markets and Corporate Strategy", 2nd Edition, McGraw-Hill.

Kreps, David (1990), "A Course in Microeconomic Theory"; Princeton University Press.

<https://www-degruyter-com.are.uab.cat/document/doi/10.1515/9780691215747/html>

Scientific articles:

Baker, M., Wurgler, J., & Yu, Y. (2012). "Global, local, and contagious investor sentiment". *Journal of Financial Economics*, 104, 272-287.

<https://www-sciencedirect-com.are.uab.cat/science/article/pii/S0304405X11002601?via%3Dihub>

Bebchuk, L.A., Fried, J., and Walker, D.I. (2002), "Managerial Power and Rent Extraction in the Design of Executive Compensation", University of Chicago Law Review, 69, 751-846.

https://www-jstor-org.are.uab.cat/stable/1600632#metadata_info_tab_contents

Burkart, Mike, Andrei Shleifer, and Fausto Panunzi (2003), "Family firms", Journal of Finance, 58, 2167-2202.

https://www-jstor-org.are.uab.cat/stable/3648187?seq=1#metadata_info_tab_contents

Davies, J.R., David Hillier and P. Mc-Colgan (2005), "Ownership Structure, Managerial Behavior and Corporate Value", Journal of Corporate Finance, 11, 4, 80-96.

<https://www-sciencedirect-com.are.uab.cat/science/article/pii/S0929119905000118?via%3Dihub>

Demsetz, Harold, Belen Villalonga (2001), "Ownership Structure and Corporate Performance" Journal of Corporate Finance, 7, 209- 233, 2001.

<https://www-sciencedirect-com.are.uab.cat/science/article/pii/S0929119901000207?via%3Dihub>

García-Cestona, M.A. and J. Surroca (2008): Multiple goals and ownership structure: Effects on the performance of Spanish savings banks. European Journal of Operational Research, 187, 582-599.

<https://www-sciencedirect-com.are.uab.cat/science/article/pii/S0377221707003529?via%3Dihub>

Jensen, M. and Meckling, W. (1976), "Theory of firm: managerial behavior, agency costs and ownership structure", Journal of Financial Economics, 3, 305-360.

<https://www-sciencedirect-com.are.uab.cat/science/article/pii/0304405X7690026X?via%3Dihub>

Stambaugh, R.F., Yu, J., & Yuan, Y. (2012). "The short of it: investor sentiment and anomalies", Journal of Financial Economics, 104, 288-302.

<https://www-sciencedirect-com.are.uab.cat/science/article/pii/S0304405X11002649?via%3Dihub>

Thomsen, S. and T. Pedersen (2000), "Ownership Structure and Economic Performance in the Largest European Companies", Strategic Management Journal, 21, 689-705.

https://www-jstor-org.are.uab.cat/stable/3094306?seq=1#metadata_info_tab_contents

Complementary bibliography:

Books:

Bodie, Z. and R.C. Merton (1998), "Finance", Prentice Hall.

Brealey, R.A., and S.C. Myers (2003), "Principles of Corporate Finance", McGraw-Hill, 7 ed.

Elton, E., Martin, J.G., Brown, S.J., and W.N. Goetzmann (2003), "Modern Portfolio Theory and Investment Analysis", John Wiley & Sons, 6 ed.

Hull, J.C. (2012), "Risk management and financial institutions". Ed. Pearson.

Ross, S.a., R.W., Westerfield, and B.D. Jordan (2000), "Fundamentals of Corporate finance", McGraw-Hill, 5 ed

Sharpe, W.F., G. J. Alexander, and J. V. Bailey (1999), "Investments", Prentice Hall, 6. Ed.

Varian, Hal (2010), "Intermediate Microeconomics"; W. W. Norton Company.

Scientific articles:

Altman, E. (1982), "A Further Empirical Investigation of the Bankruptcy Cost Question", Journal of Finance, 39 1, 219-26. https://www-jstor-org.are.uab.cat/stable/2327613#metadata_info_tab_contents

Ballester, L., Casu, B., & Gonzalez-Urteaga, A. (2016), "Bank fragility and contagion: Evidence from the CDS market", Journal of Empirical Finance, 38, 394-416

<https://www-sciencedirect-com.are.uab.cat/science/article/pii/S0927539816000128?via%3Dihub>

Basel Committee on Banking Supervision, BCBS (2010b): "Principles for Enhancing Corporate Governance". October 2010.

Crespi, R., Garcia-Cestona, M., Salas, V., (2004), "Governance mechanisms in Spanish banks: Does ownership matter?", Journal of Banking and Finance 28, 2311-2330.

<https://www.sciencedirect.com.are.uab.cat/science/article/pii/S0378426603002383?via%3Dihub>

Faulkender, M., and M. Petersen (2006), "Does the Source of Capital Affect Capital Structure?", Review of Financial Studies, 19, 249-79. https://www-jstor-org.are.uab.cat/stable/3598031#metadata_info_tab_contents

Galve Górriz, C Vicente Salas Fumás (2011), "Family ownership and performance: the net effect of productive efficiency and growth constraints", Innovar: revista de ciencias administrativas y sociales, 21, 40, 155-170. <https://revistas.unal.edu.co/index.php/innovar/article/view/35130/35407>

Graham, J.R. (1996), "Debt and the marginal tax rate", Journal of Financial Economics 41, 41-73.

Himmelberg, C. P., Hubbard, R.G., & Palia, D. (1999), "Understanding the determinants of managerial ownership and the link between ownership structure and performance". Journal of Financial Economics, 53, 353- 384.

Jensen, Michael and Kevin Murphy (1990), "Performance Pay and Top Management Incentives." Journal of Political Economy, 98, 2, 225- 63.

https://www-jstor-org.are.uab.cat/stable/2937665#metadata_info_tab_contents

La Porta, R., Lopez-de-Silanes, F., Shleifer, A. and R.W. Vishny (2000), "Agency Problems and Dividend Policies around the World", Journal of Finance, LV (1), 1-33.

https://www-jstor-org.are.uab.cat/stable/222549#metadata_info_tab_contents

LaPorta, Rafael, Florencio Lopez-de-Silanes, Andrei Shleifer, and Robert Vishny, 2000, "Investor Protection and Corporate Governance," Journal of Financial Economics, 58, 3-28.

LaPorta, R., Florencio Lopez-De Silanes, and Andrei Shleifer (1999), "Corporate Ownership Around the World," Journal of Finance, 54, 471-517. <https://www-jstor-org.are.uab.cat/stable/2697717>

Malmendier, U. and G. Tate (2005), "CEO Overconfidence and corporate Investment", Journal of Finance, 60, 2661-700. https://www-jstor-org.are.uab.cat/stable/3694800#metadata_info_tab_contents

Miller, M. and Modigliani, F. (1961), "Dividend policy, growth and the value of shares", Journal of Business, 34, 411-433.

Miller, M (1977), "Debt and Taxes", Journal of Finance, 32, 261-275.

Miller, M (1988), "The Modigliani-Miller Proposition after Thirty Years", Journal of Economic Perspectives, 2, 99-120. https://www-jstor-org.are.uab.cat/stable/1942779#metadata_info_tab_contents

Modigliani F. and Miller, M. (1958), "The Cost of Capital, Corporation Finance and the Theory of Investment", American Economic Review, 48, 162-197.

https://www-jstor-org.are.uab.cat/stable/1814566?seq=1#metadata_info_tab_contents

Odegaard, Bernt Arne and Oyvind Bohren (2003), "Governance and Performance Revisited" ECGI - Finance Working Paper No. 28/2003; EFA 2003 Annual Conference Paper No. 252 Norwegian School of Management.

Rajan, R. G. and Luigi Zingales (1995), "What Do We Know about Capital Structure: Some Evidence from International Data", Journal of Finance, 50, 5, 1421-60.

https://www-jstor-org.are.uab.cat/stable/2329322#metadata_info_tab_contents

Reid, Alan S. (2003), "The Internationalisation of Corporate Governance Codes of Conduct", Business Law Review, 24, 10, 233- 2

Software

Microsoft Excel

Groups and Languages

Please note that this information is provisional until 30 November 2025. You can check it through this [link](#). To consult the language you will need to enter the CODE of the subject.

Name	Group	Language	Semester	Turn
(PLABm) Practical laboratories (master)	30	English	second semester	morning-mixed
(TEm) Theory (master)	30	English	second semester	morning-mixed