TEACHING GUIDE - 2026-2027

Operations Financial Controlling: working capital and cash flow analysis

UGRA_014626

Departments	Department of Economics, Finance & Accounting
Teaching Languages	English
ECTS	4
Teacher responsible	Rafael Tena Queralt - rafael.tena1@esade.edu

Course Goals

MAIN GOALS

1. Analysis and understanding of the Operational Financial Management of a company from a practical point of view.
2. Understanding of the connection/influence between the 3 fundamental Financial Statements of a company: P&L, Balance Sheet and Cash flow.
3. Understanding of how the process of generation of cash from operations works for different business models.
4. Understanding of how the Working Capital works and how it must be assessed, optimised and managed.

Previous knowledge

- Having sound knowledge of Accounting and Financial Analysis & Reporting.
- General understanding of the relevant connections between the 3 fundamental Financial Statements

Description

Course contribution to program

COURSE CONTRIBUTION TO THE PROGRAM

Many of the companies that enter bankruptcy processes and eventually disappear have a good proposal of value for their customers, but face financing difficulties. In most cases the problem is that their management does not pay enough attention to their business investment in Working Capital and, in times of economic crisis, lack sufficient liquidity to meet their payment obligations at the short term.

Operational Financial Controlling deals with the day to day activities of

the Treasury and Financing department

Bibliography

, Brealey & Myers. Fundamentals of Corporate Finance (Book)

E. Martinez-Abascal, Finance for Managers, McGraw-Hill (Book)

, Dell's Computers, HBS (Case Study)

, Play Time Toy Co, HBS (Case Study)

, Hampton Machine Tool Co, HBS (Case Study)

, Carrefour, HBS (Case Study)

Activities

In-class discussions and debates
Active attendance

Written and/or oral exams
Final exam (40% wheight of final grading)

Interaction with visiting guest professionals
Visiting guests from banking activities to have a different perspective

Project development and presentation
Based on any of the topics covered by the course a project, with a very practical approach (not theorical) will be developed and presented by groups

Case study analyses
Need to work out and develop 4 Business Cases which show particular business situations to solve from the working capital, financiation and banking perspactives

Content

#	Topic
1	INTRODUCTION . Know the difference between Operational Financial Management (short term) and Structural Financial Management (long term). . Understand the role of the CFO as part of the Executive Committee of the corporation, and particularly the functions performed by the Treasury and Financing department.
2	2. FINANCIAL PLANNING . Differentiate between Liquidity and Cash Flow . Learn how to anticipate the cash surpluses and shortfalls by developing a Cash Flow Planning by both methods, direct and indirect
3	3. OPERATIONAL WORKING CAPITAL MANAGEMENT . Know about the different operational processes included in the cash conversion cycle and understand the impact of decisions from the different operational units (Logistics, Sales, Purchasing) on the Operational Working Capital . Learn how to optimize the financial management of Receivables, Payables and Stocks.
4	4. MANAGEMENT OF PAYMENTS AND COLLECTIONS . Understand the relevance of the value date for the Treasury position . Know the main instruments for payments and collections

#	Topic
5	5. MANAGEMENT OF THE TREASURY POSITION. FINANCIAL INVESTMENT & FINANCING . Learn the systematic to manage the Treasury Position .Know the implications of Cash-Pooling and Cash-Concentration for an efficient Cash Management .Understand the main instruments for investing liquidity, and particularly how to invet cash surpluses .Learn the main financing instruments to finance temporary liquidity shortfalls
6	6. BANK RELATIONSHIP . Understand the importance of a stable banking relationship to ensure sustainable financing of the company and identify criteria to determine the optimal bank structure . Know the basis of an effective negotiation with banks.
7	7. TREASURY & FINANCING GOVERNANCE . Learn how to organize a Treasury and Financing department . Know about the existing models of Treasury governance in company groups
8	8. CONCLUSSIONS .Performance Management: How to create value for the company in the Treasury and Financing

Assessment

Tool	Assessment tool	Category	Weight %
In-class analysis and discussion of issues	ACTIVE ATTENDANCE	Ordinary round	20.00%
Group project	PROJECT PRESENTATION	Ordinary round	40.00%
Written and/or oral exams	FINAL EXAM	Ordinary round	40.00%
Written and/or oral exams	RETAKE ASSESMENT CRITERIA	Retake	100.00%

PROGRAMS

AI26-Exchange Program Bachelor in Business and Artificial Intelligence (Undergraduates: Business)
- AI26 Year 1 (Optative)

B13-Exchange Program Bachelor of Business Administration (BBA) (Undergraduates: Business)
- B13 Year 1 (Optative)

B13S-Exchange Program Bachelor of Business Administration (BBA) (Undergraduates: Business)
- B13S Year 1 (Optative)

BBA20-Bachelor of Business Administration (BBA) (Undergraduates: Business)
- BBA20 Year 4 (Optative)
- BBA20 Year 2 (Optative)
- BBA20 Year 3 (Optative)

BBA23-Bachelor of Business Administration (BBA) (Undergraduates: Business)
- BBA23 Year 3 (Optative)
- BBA23 Year 4 (Optative)
- BBA23 Year 2 (Optative)

BBA25-Bachelor of Business Administration (BBA) (Undergraduates: Business)
- BBA25 Year 3 (Optative)
- BBA25 Year 1 (Optative)
- BBA25 Year 2 (Optative)

BBE20-Bachelor of Business Administration (BBA) (Undergraduates: Business)
- BBE20 Year 3 (Optative)
- BBE20 Year 4 (Optative)
- BBE20 Year 2 (Optative)

BITLASI22-Bachelor in Transformational Leadership and Social Impact (Undergraduates: Business)
- BITLASI22 Year 4 (Optative)

DBAI23-Double Degree in Business Administration and Artificial Intelligence for Business (Undergraduates: Business)
- DBAI23 Year 2 (Optative)
- DBAI23 Year 4 (Optative)
- DBAI23 Year 1 (Optative)
- DBAI23 Year 3 (Optative)

DBAI25-Double Degree in Business Administration and Business and Artificial Intelligence (Undergraduates: Business)
- DBAI25 Year 4 (Optative)
- DBAI25 Year 2 (Optative)
- DBAI25 Year 3 (Optative)

GBD20-Double Degree in Business Administration and Law (Undergraduates: Law)
- GBD20 Year 4 (Optative)
- GBD20 Year 5 (Optative)

N90-BI Norwegian Business School (Summer School: Business)
- N90 Year 1 (Optative)

TUM23-TUM Entrepreneurship Exchange Programme (Undergraduates: Business)
- TUM23 Year 1 (Optative)