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中国人民大学工商管理学院策划

MBA专业精品教材

世界经济
管理文库

(英文版·第8版)

财务管理： 理论与实务

Financial Management:
Theory and Practice
(EIGHTH EDITION)

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机械工业出版社



DRYDEN



Eugene F. Brigham, Louis G. Gapenski: Financial Management: Theory and Practice
-8th.

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本书版权登记号: 图字: 01-98-0805

图书在版编目 (CIP) 数据

财务管理: 理论与实务: 英文/(美) 布里格姆 (Brigham, E. F.), 加彭斯基
(Gapenski, L. G.) 著. -影印本. 北京: 机械工业出版社, 1999.3

(MBA 专业精品教材)

书名原文: Financial Management: Theory and Practice

ISBN 7-111-06400-3

I. 财… II. ①布… ②加… III. 企业管理: 财务管理-研究生教育-教材-英文
IV. F275

中国版本图书馆 CIP 数据核字 (1999) 第 01871 号

出版人: 马九荣 (北京市百万庄大街 22 号 邮政编码 100037)

责任编辑: 江 颖

审读人: 石美华

北京第二外国语学院印刷厂印刷·新华书店北京发行所发行

1999 年 3 月第 1 版第 1 次印刷

787mm×1092mm 1/16·81.75 印张

定价: 128.00 元

凡购本书, 如有缺页、倒页、脱页, 由本社发行部调换

FINANCIAL MANAGEMENT

Theory and

Practice

Eighth Edition

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Harcourt Brace & Company
Asia Pte Ltd

The Dryden Press
Harcourt Brace College Publishers

HARCOURT BRACE & COMPANY ASIA PTE LTD

A Division of Harcourt Brace & Company

583 Orchard Road # 09-01 Forum

Singapore 238884

PUBLISHER Christopher P. Klein

ACQUISITIONS EDITOR Mike Reynolds

DEVELOPMENTAL EDITOR Shana Lum

PROJECT MANAGEMENT Elm Street Publishing Services, Inc.

COMPOSITOR The Clarinda Company

TEXT TYPE 10/12 ITC Garamond Book

TEXT DESIGNER Linda Harper

COVER DESIGNER Linda Wooton

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This Edition First Printed in China in 1999. China Reprint ISBN: 0-03-021143-3

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Library of Congress Catalog Card Number: 96-85290

Printed in China

6789012345 039 987654321

出版者的话

在全球经济一体化的激烈竞争格局中，中国正处于前所未有的经济与产业结构调整与转型的关键时期。飞速发展的社会与错综复杂的变革要求我们的经济与管理水平有一个飞跃。

为了能让读者系统地学习、借鉴国际上先进的管理理论、方法和手段，机械工业出版社从一些世界著名出版公司引进了一批一流品质的经济管理名著，组成了这套《世界经济管理文库》。其中所选图书均为当前国际上最为流行和权威的教材，大部分多次修订重版，有的多达十几版。作者都是哈佛、芝加哥、斯坦福等著名商学院的教授，使您足不出户，便可领略世界知名学府的文化精粹。

为了给中国的MBA教学提供一套完整的MBA系列教材，继与清华大学经管学院、加拿大毅伟管理学院合作共同策划出版的《国际通用MBA教材》与《国际通用MBA教材配套案例》丛书之后，近期，我社又和中国人民大学工商管理学院联手，共同策划本套《MBA专业精品教材》丛书。《国际通用MBA教材》涉及了所有的MBA核心课程，而本套《MBA专业精品教材》包括了MBA各个不同专业方向的全部课程及选修课程，它为各类工商管理学院培养更适

合社会需要的专门管理人才提供了丰富的教材资源库。全套丛书按专业分类,包括经济学、战略管理与组织、管理科学、财务与金融管理、会计、市场营销、商务技能等7大系列、60多个品种。

为了保持原作的原汁原味,这套丛书是以英文原版的形式出版的。这样可以避免因翻译而造成的歧义和出版时间的滞后,以便让读者能亲身体味原作者的精彩文风,并在第一时间洞悉经济管理学科各个领域的最新学术动态。

由于作者所处的社会、政治环境的不同,书中所述难免有不妥之处,请读者在阅读时注意比较和鉴别,真正消化吸收其中的精华,这也就达到了出版者出版本套丛书的目的。我们真诚地希望这套《世界经济管理文库》的出版,能为提高中国的MBA教学水平、推动中国的改革开放事业尽点绵薄之力。

机械工业出版社

1998年8月

序 言

当前，我国正处于知识经济初露端倪的时代，管理科学已经成为兴国之道，这给我国工商管理教育带来新的机遇与挑战。今年9月，又将有4000余名工商管理硕士生满怀着理想与希望进入各大学学习。一大批机关分流干部与经贸委系统的管理人员也要经过入学考试，在职学习并申请工商管理硕士学位。如何办好工商管理硕士（MBA）项目，为国家和社会培养出一批又一批符合市场需求的高质量的工商管理硕士，是全国可以授予工商管理硕士学位的56所院校所共同考虑与研究的问题。

在这里，MBA课程设计是成功的关键环节之一。记得在1984年的夏天，在加拿大国际开发总署的资助下，加拿大蒙特利尔大学、麦吉尔大学、康克迪亚大学以及魁北克大学蒙特利尔分校的教授们为中国人民大学的年轻教师讲授了管理经济学、会计学、管理学以及管理信息系统等MBA课程。在1985年夏天，加拿大的教授们又讲了另外4门MBA课程。当时，我并没有真正了解这些MBA课程与我过去所学的管理课程在实质上有多大的区别，也没有理解这些课程之间的内在联系，对于MBA核心课与选修课以及专业的主修与副修的区别与联系更是知之甚少，只是感

到加拿大教授的教学在内容和手段上与我们传统方式有较大的区别。1988年初，我到加拿大麦吉尔大学管理学院研修后，才真正对MBA的课程设计有所了解。此后，我先后到美国布法罗纽约州立大学管理学院与澳大利亚悉尼科技大学管理学院任教，又对MBA课程之间的内在联系有了更切身的体会。为了更好地了解美国MBA教育的新潮流，今年6月，我又随中国管理学院院长代表团考察了美国著名管理学院，出席了在芝加哥举办的“全球管理教育论坛会”。

综观北美的工商管理教育，在全球化、信息化与整合化的挑战下，实在是强调其实用性。纵然有的教授学者看重自己的象牙宝塔，勾画着纯理论的模型与理论。但在MBA的教育上，美国现有的750余所管理学院，特别是为美国管理学院联合会（The American Assembly of Collegiate School of Business, AACSB）所承认的300余所管理学院，培养目标明确，课程设计体现出其为社会需求与市场服务的宗旨，没有半点的含糊。美国著名的管理院校明确自己的教育使命，把视野放在全球与创新上，不断地迎接新的挑战，将所授的知识与社会的实际需求密切地结合起来，期望培养出真正的高质量的管理人才。例如，哈佛商学院明确地提出，该院的使命是“影响企业的实践”，培养全面的管理者（general managers），指出“我们要对企业的领导人在如何完成他们的工作上，即在他们如何提出与解决问题、确定战略方向和采取行动上施加重大的影响。同时，我们鼓励从实践中获得反馈，以便了解这些领导人如何在实践中应用我们的思想与知识，从而进一步发展与提炼我们的理论与知识。”麻省理工学院斯隆管理学院的使命“尊重有用的工作”，“为产业提供服务”，提出“作为管理教育与研究的世界领导者，麻省理工学院斯隆管理学院要培养能在快速发展与高度竞争的全球企业环境中获得成功的管理者。当前持续不断的技术创新已成为每个产业各个方面生产力和增长的关键，因此，这正是我们的时机。”伯克利加利福尼亚大学商学院从学院的成立始，就将教育的重点放在国际与企业家的舞台上，研究迅速发展的全球经济，为学生提供创新的学习机会。

根据上述的使命，美国著名的管理学院教育模式基本上有三大流派：一是以哈佛商学院为代表的培养全面管理人员的模式。斯坦福商学院的培养方式也是属于这种模式。他们培养的是全面的MBA，而不是专业化的MBA，通过

为学生提供必要的专业知识，使之毕业以后成为企业或其他组织中高层的有效的全面管理者，而不是职能部门的管理人员。二是以芝加哥大学管理学院为代表的培养专业管理人员的模式，其方向是为企业和组织培养专业的管理人员。斯隆商学院亦属于这种类型。三是介于两者之间的模式。美国多数管理院校采用的是这种培养目标，如伯克利商学院、西北大学的凯洛格商学院、洛杉矶加州大学、康乃尔大学管理学院以及杜克大学管理学院等。因此，各个管理学院在其课程设计上有着不同的战略重点。

哈佛商学院MBA课程设计的思路是“在日益增长的全球商务环境中，提高学生进行战略性与关键性思考的能力。”斯坦福商学院MBA课程设计的思路是“确保学生获得管理运行的知识，了解企业运行的经济、政治和社会环境，以及掌握作为管理者所必须的行为技能。”同时，“MBA项目也要设计成为一种可以终身学习的模式。这样，今天的学生将在今后贯穿其事业的复杂而快速变化的管理世界中有能力自如地作出调整。”斯隆管理学院MBA课程设计的思路是“对日益增长的市场全球化和密集的竞争正在改变工作性质的这一事实作出反映。”哥伦比亚商学院MBA课程设计的思路是“让学生掌握作为管理者能够在全全球经济中进行有效竞争所需的基本学科与应用的职能领域。”

总之，这些学院在设计MBA课程时，首先，考虑的是学生要了解全球的竞争环境。其次，考虑学院所在的地域和环境。例如，哥伦比亚商学院极其强调该院处于纽约这个金融中心，其战略重点是国际、金融和纽约，培养出的学生要适合在国际大城市从事金融工作。因此，该学院在课程设计上就对财务与金融等相关课程有所侧重。再次，考虑学院自身资源的特点，如斯隆管理学院在技术管理上设置较多的课程，而哈佛商学院则在全面管理与竞争战略课程上有所突出。最后，要使学生获得相关的专业知识，了解研究与实践的前沿，如企业伦理、领导精神、创新、以及企业与政府关系等。

在课程设计的内容上，美国管理学院根据自己的情况，多按传统划分为核心课程与选修课程。课程内容上并不划一，门数上也多少不等。在学习核心课之前，学生要预先学习计算机应用和技能、商务沟通以及基本数量分析方法等课程。在核心课上，各学院基本上开设了经济学、统计或数据分析、会计、财务、市场营销、运作管理、组织行

为、人力资源管理、战略管理以及公共管理等课程。当然，也有例外。芝加哥大学管理学院就不设置核心课。在选修课程上，除哈佛商学院外，各学院基本上设置了专业，如管理经济学 (Managerial Economics)、会计 (Accounting)、财务管理 (Financial Management)、税收 (Taxation)、管理科学 (Management Science)、信息系统 (Information Systems)、市场营销 (Marketing)、组织行为学 (Organization Behavior)、人力资源管理 (Human Resource Management)、国际商务 (International Business)、战略管理 (Strategic Management) 以及公共管理 (Public Management) 等。最具特色的是斯隆管理学院的课程设计。该学院除了设计出体现管理基础原理和技能的六门核心课以外，根据学生今后所要从事的工作方向，创造性地设计自我管理模块 (Self Managed Track) 与管理模块 (Management Track)。自我管理模块包括应用宏观与国际经济学、财务管理或财务理论、信息技术、产业关系与人力资源管理、运作管理导论和市场营销导论等六门课。如果学生希望将来从事较为全面的管理工作，则可以选择自我管理模块。而学生希望成为更专业的管理人员，则可以选择管理模块。在这个模块中，有六个分模块，即战略管理与咨询 (Strategic Management and Consulting)、新产品与风险开发 (Product and Venture Development)、信息技术与企业变革 (Information Technology and Business Transformation)、金融工程 (Financial Engineering)、财务管理 (Financial Management) 以及制造与运作 (Manufacturing and Operations)。这种设计打破传统职能性课程的框架，切实反映市场的声音，力图符合具体职业领域的要求，使学生能在今后的工作中更快地进入某个具体的管理角色。

我国工商管理硕士教育总体来说，还处在试点阶段之中。在课程设计上，全国工商管理硕士教育指导委员会规定了核心课的指导大纲。经过多年的建设，MBA核心课的教材已经初步满足教学的需求。当然，在质量上还有待进一步完善。随着MBA教学的深入发展，一些院校在培养全面管理人员的基础上，进一步根据自己院校的区域环境和办学条件，探索开设专业方向，以便培养出更适合社会需要的专门管理人才。这就对课程设计提出了新的要求，希望有更专门化的课程支持不同的专业方向。这不仅对教师的科研提出了更高的要求，而且对教材的建设也提出新的

需求。教材不足便是当前工商管理教育中最大的困惑之一。

为了满足工商管理专业方向的发展以及相应的课程设计，在中国人民大学工商管理学院的策划下，机械工业出版社推出了英文版的《MBA专业精品教材》，填补教学用书空白，力图缓解MBA各专业教学上的急需。在这套丛书中，我们精心选择了北美在经济学、战略管理与组织、管理科学、财务与金融管理、会计、市场营销以及商务技能等7个专业的英文版教材，期望对国内各管理学院所开设的管理专业有所帮助。同时，有志于学好MBA某个专业的管理人员、研究生甚至本科生也可以通过系统地学习该专业所列的教材，掌握个中三昧。

当然，在学习西方的管理理论与经验时，需要认真对待其内在的文化底蕴。正如同样是绘画，西方的绘画注重光线与颜色，体现出一种形象思维，而中国画则注重线条，体现出内在的逻辑思维，从而表现出中国文化与西方文化的差异。本世纪初以来，我国知识分子一直在研究与吸收西方文化，力图西学中用。正如有人所讲，学习的方法有三种形式，一是鸟瞰的方法，二是仰视的方法，三是平视的方法。鸟瞰者，持才傲物，看不起其他民族的文化，更看不起其他民族的管理理念与方法。仰视者，自卑自弃，看不起自己民族的文化，盲目追求其他民族的管理理念与方法。要真正作到西学中用，而不是仅仅学到一些皮毛的话，则需要运用平视的方法，拉开距离，去观察与学习世界上一切优秀的管理理念与方法。今天，我们利用西方的管理理论与实践，是为了更合理地推动中国的管理教学与科研，促进中国的管理实践，切不可邯郸学步，而是真正做到“以我为主、博采众长、融合提炼、自成一家”。

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PREFACE

Our goal in writing *Financial Management: Theory and Practice* was to create a text (1) that is sufficiently current and complete to give students an operational knowledge of finance, (2) that combines theory and applications, and (3) that is sufficiently self-contained for use in an introductory finance course, in follow-on case courses, and, upon graduation, in practice. Further, we wanted a text that students find “user friendly” in the sense that they can learn from it on their own.

The book begins with some basic concepts, including the economic and financial environment, financial statement analysis, risk analysis, and the valuation process. Then it goes on to show how specific techniques and decision rules can be used to help maximize the firm’s value. This structure has four important advantages:

1. The early discussion of financial statements provides a bridge from accounting to finance, thus easing students into finance from familiar ground. Also, covering financial statements early provides a vehicle for showing students how financial decisions affect the firm’s future profitability and risk. This helps students recognize how the various types of decisions discussed in the course are interrelated, and how they can be integrated into a firm’s plans for the future. Finally, if instructors plan to emphasize spreadsheets in the course, financial statements provide an excellent starting point for illustrating the usefulness of spreadsheets.
2. Explaining early in the book how financial markets operate, and how security prices are determined within these markets, lays the groundwork for explaining how financial management can affect the value of the firm. Also, this organization exposes students early to methods of risk analysis, to discounted cash flow techniques, and to valuation concepts, which, in turn, permits us to use and reinforce these key concepts throughout the book.
3. Structuring the book around markets and valuation provides a unifying theme. Some texts develop a series of topics in modular form and then attempt to

integrate them in later chapters. The organization of *Financial Management* gives students a better and more comprehensive understanding of how the topics interact with one another.

4. Students—even those who do not plan to major in finance—generally find stock and bond valuation models, rates of return, and the like, inherently interesting. Since a student's ability to learn a subject is a function of his or her interest and motivation, and since *Financial Management* begins with a discussion of security markets and prices, the book's organization is sound from a pedagogic standpoint.

INTENDED MARKET AND USE

Financial Management is designed primarily for use as an introductory MBA text; however, it can also serve as a reference work for later use. Typically, selected "core" chapters are covered in the introductory course, and then the other chapters are covered in advanced courses (along with readings and/or cases) or used for reference purposes if and when they are needed. Also, the book can be used as an undergraduate introductory text either with exceptionally good students or in schools in which the introductory course is taught over two terms.

We have made a special effort to make the text useful both in the introductory finance class and as a reference book for case courses and for on-the-job applications after graduation. However, to create a useful reference book, we had to include more material than can be covered thoroughly in one term. Still, most students, and especially MBA students, can read on their own and understand reasonably well all but the most technical sections, so classroom coverage of all topics is not necessary. Furthermore, as we discuss later in this preface, we have made a special effort to organize the material in a manner which facilitates coverage of the essential topics in one term.

MAJOR CHANGES IN THE EIGHTH EDITION

The financial environment has changed significantly since 1993, when we last updated the book. Academic researchers have been busy developing new theory, business practitioners have made increasing use of financial theory, and feedback from the real world has led to modifications and improvements in existing theory. We have incorporated these changes into the eighth edition. Additionally, we received many comments from users who liked the book but felt that it was getting too long to handle easily in one term. After careful consideration, we implemented the following changes in the eighth edition:

1. **General update.** The entire book has been reviewed for completeness, ease of exposition, and currency. Hundreds of small changes have been made to keep the text up-to-date. Particular emphasis has been placed on updating the real-world examples and including the latest changes in the financial environment and in financial theory.

- 2. Concentration of key topics.** One primary focus in the revision was to make the text easier to use in a one-semester course, but without jeopardizing its usefulness as a reference book. This led us to reorganize the coverage of investment risk, capital structure, and working capital management.

In the seventh edition, our discussions of investment risk and capital structure were each spread over two chapters, which made it necessary to cover all four chapters to get a coherent picture of these topics. In the revision, each topic still has two chapters, but the first covers essential material and the second adds depth that is useful but not essential for an overview of financial management. This gives instructors greater flexibility in choosing how much time to devote to these topics. Instructors who want to cover more topics can elect not to cover the “extension” chapters, while those who want more depth can include them.

Similarly, the working capital material has been reorganized so that the essential concepts of working capital management are contained in two chapters. A third chapter provides extension material.

With the revised organization, all the core material is contained in 19 chapters, which is manageable in one semester with good students. Instructors who want to cover fewer topics but in more depth, or to cover some of the special topics, will find sufficient material in the text to do so.

- 3. Chapter organization.** The organization of the text has been changed somewhat to provide a smoother flow. Note, though, that the chapters are generally self-contained and modular, so the topic ordering can be altered to fit different instructors' situations.
- a.** The chapter on long-term financial planning (forecasting) has been moved up to precede capital structure and dividend policy. This makes it easier to discuss the use of planning models when making capital structure and dividend policy decisions.
 - b.** The section on long-term financing has been moved ahead of that on working capital. Although we were reluctant to push working capital farther back in the text, the new organization places the discussion of long-term capital sources immediately behind strategic financing decisions, which results in a more natural progression. Further, our streamlining of the subject makes it easier to actually cover working capital in the course.
- 4. New chapters.** The changing financial environment motivated us to add the following two chapters:
- a.** A chapter on derivatives and risk management was added to the special topics section. Derivatives and risk management have become so important in financial management that additional coverage was warranted.
 - b.** We also added a chapter on pension plan management. This topic is important to students not only because corporate managers are responsible for establishing and managing a firm's pension plan but also because students must know enough about pension plans to make intelligent choices in plotting their own personal retirement strategies.
- 5. Spreadsheet analysis.** Since spreadsheet analysis is now an integral part of financial management, we added Spreadsheet Applications sections to the end-

of-chapter materials for 21 chapters. These sections contain Spreadsheet Problems, Spreadsheet Exercises, or both, and these models, along with the models that accompany the *Dryden Request* cases, permit instructors to incorporate spreadsheets into the course at three levels: (1) The Spreadsheet Problem models which accompany selected end-of-chapter problems introduce students to the power of spreadsheets without requiring them to construct models. (2) The Spreadsheet Exercises help students learn basic spreadsheet skills. (3) The cases require students to do varying amounts of actual spreadsheet modeling to deal with real-world decisions.

The Spreadsheet Exercises are relatively short and focused, and they allow students to develop, review, and extend their spreadsheet skills. These 19 exercises, along with the accompanying models, examine numerous aspects of spreadsheets such as formulas, linear regression, @functions, data tables, and macros. By working through these exercises, students can increase their spreadsheet competency and confidence. As students see what spreadsheets can do, they become better able to use them to work cases and to help solve real-world finance problems.

The models that accompany the Spreadsheet Problems and Spreadsheet Exercises are contained on a diskette that is packaged with the text.

LECTURE SUPPORT MATERIALS

The eighth edition of *Financial Management* contains a complete “classroom package” that instructors can use to increase the efficiency and effectiveness of their lectures.

The information used in the classroom package is contained in each chapter's Mini Case. The Mini Cases are, in essence, integrated problems that cover all the key material presented in the chapter. The solutions to the Mini Cases, which are contained in the *Instructor's Manual*, have been set up as lectures. Thus, when an instructor discusses the solution to the Mini Case, he or she is actually giving a lecture on the most important elements of the chapter.

The Mini Case format has several advantages over conventional lectures. First, by presenting material in a case setting, students can see more easily the relevance of the concepts, which motivates them to learn the material. Second, since the basis for the lecture—the Mini Case—is in the textbook, students can prepare for the lecture by reading the Mini Case. Although reading the Mini Case is not a substitute for reading the chapter, this is better than no preparation at all. Finally, if the lecture—the Mini Case solution—is not completed in the allotted time, students know precisely what has not been covered, and instructors can, if they choose, pass out full or partial solutions or place them on reserve.

For the seventh edition of *Financial Management*, we developed a set of Lecture Presentation Software (LPS), or “slide show,” materials. Since then, we have worked extensively to improve this product, and the new eighth edition version is, according to reviewers, really quite good. This software, available in *Microsoft PowerPoint* for both IBM-compatible and Macintosh systems, consists of computerized slides cre-

ated with *PowerPoint* that contain solutions to the Mini Cases. Each chapter's slide show has about 40 to 50 slides that contain the lists, graphs, tables, and calculations that an instructor might put on a blackboard, but they are much easier to read and are color-coded so that key elements of a topic tie together.

Initially, we were concerned that the slide show would severely restrict flexibility—an instructor cannot easily change the slides in the classroom. However, an instructor who uses *PowerPoint* can customize the slides to meet individual needs. Also, we have found that it is easy to add variety and spontaneity by alternating between the slide show and the blackboard. This approach permits us to add new material or to deal with student questions as necessary right in the classroom.

If instructors cannot use the slide show, an alternative is to use our Transparency set, which consists of both transparencies and hard-copy masters. We created the masters by first reviewing the slides and then distilling the 1,000+ individual slides into approximately 200 masters. Transparencies were then created from the masters. Instructors who want to use transparencies in the classroom can modify the masters as desired, as well as create new masters of their own, and then use the modified and new masters to make additional transparencies. In effect, instructors will be using a somewhat abbreviated version of the slide show, but with transparencies rather than a computer as the medium. The slide show is superior because it is in color and contains many more individual slides. However, the transparencies are a reasonable substitute when conditions do not permit the use of the slide show.

Directly related to the slide show and transparency masters, we also developed a significantly modified version of an old ancillary called *Blueprints*, which was designed to help students follow the lecture and take notes. The new *Blueprints* is basically a hard copy of the slides/transparencies. We learned long ago that students want and need hard copies of transparencies or other materials to reduce pointless copying and to free them to listen and comprehend. *Blueprints* contains statements of the Mini Cases plus three-to-a-page copies of the slides/transparencies. There is plenty of white space for notes directly adjacent to the images. *Blueprints* comes in a form that instructors can have copied and made available to students, or it can be ordered so as to come shrink-wrapped with the text.

Finally, the classroom package includes a comprehensive set of Cases available for purchase that were specifically designed to accompany *Financial Management*. The cases can be obtained in two versions: a “directed” version with end-of-case questions and a “nondirected” version that provides less structured guidance. The best choice depends on the structure of the course and the familiarity of students with case work. Although most introductory MBA finance courses consist primarily of lectures, the cases make it easy to demonstrate that financial decisions often have important qualitative elements along with the more obvious quantitative elements. Further, if the book is used over two terms, the cases give instructors the opportunity to introduce a wide variety of real-world situations into the classroom.

Taken together, the classroom package for *Financial Management* provides a proven, comprehensive system which facilitates student learning. All instructors, regardless of experience or teaching style, should consider using all or parts of the classroom package.

For our own classes, we develop a Course Pack, which contains (1) our syllabus, (2) instructions for use of a selected financial calculator (taken from the

Technology Supplement discussed below), (3) some of our old exams to give the students a good idea of how we plan to test them, (4) the appropriate *Blueprints* chapters as taken directly from the *Blueprints* supplement, and (5) several “exam-type” questions and problems for each chapter, which we place directly after each *Blueprints* chapter. Since we use the Mini Cases as the basis for our lectures, we ask students to read the chapter and scan the Mini Case. Then we lecture on the chapter by going through the case. We use the slide show or transparencies to save time (writing on the blackboard can be very time consuming), and the use of *Blueprints* enables our students to listen to the lecture and still have coherent notes. We encourage questions and discussions, and the Mini Case format stimulates both. Generally, it takes about two hours to lecture on each Mini Case, so we allocate that much time to them. If we have extra time, we go into the exam-type problems at the end of the *Blueprints* chapter. (We try to schedule pre-exam reviews, and if we do, we use these or similar questions for the review.) In the past, we copied the Mini Case solution from the *Instructor's Manual* and placed it in the library, but with the new *Blueprints* format, students find this unnecessary.

ANCILLARY MATERIALS

The following materials are available to adopters free of charge:

1. **Instructor's Manual.** This comprehensive manual contains (1) a suggested course outline, (2) expanded solutions to the Mini Cases, (3) answers to all end-of-chapter questions and problems, and (4) an instructor's diskette with all the spreadsheet applications for professors and the entire manual in *WordPerfect* for easy modification and use.
2. **Lecture Presentation Software.** A *PowerPoint* slide show with more than 1,000 computer graphics slides (40 to 50 per chapter). The slide shows are keyed to the end-of-chapter Mini Cases, and hard copies of the slides are contained in the *Blueprints* ancillary.
3. **Transparencies and Masters.** A set of more than 200 transparency acetates with masters, designed to accompany the Mini Cases for use as lecture illustrations, is available from The Dryden Press. Note that the transparency masters can be modified, and new transparencies can be created, so instructors can tailor lectures to meet their unique requirements.
4. **Technology Supplement.** The *Technology Supplement*, coauthored by Stan Eakins of East Carolina University, contains tutorials for the most commonly used financial calculators and the most popular spreadsheet program, *Microsoft Excel* (with additional instructions for users of *Lotus for Windows*). In addition, we have included a new tutorial on *Microsoft PowerPoint* to help instructors using the Lecture Presentation Software and students preparing presentations for class assignments and projects. This supplement can be copied and made available to students as well. We generally include calculator information in our Course Pack.