

**State Final Examination Questions for the Master Study Program in Economics
and Management;
area: Business Economics**

1. **Corporate Investment Decision-Making** (Capital Budgeting): Return, risk, and liquidity; portfolio theory; investment decision-making processes; planning capital expenditures and cash inflows from investments; methods for evaluating investment effectiveness.
2. **Net Working Capital and Operational Financing**: Methods of net working capital financing; receivables management (credit management); inventory management; cash and cash equivalents management (cash management).
3. **Methods for Assessing a Company's Financial Health and Performance**: Basic areas of financial analysis, the principles of pyramidal breakdown, DuPont analysis, financial distress prediction, benchmarking.
4. **Cash Flow Planning** – Direct and Indirect Method of Calculation: Procedure for creating cash flow from financial statements, use in financial analysis, the relationship of cash flow to EBITDA, EBIT, possibly NOPAT and free cash flow (FCF).
5. **Economic and Market Value Added**: Performance measured using economic profit – MVA and EVA, calculation, interpretation, and limitations of MVA; basic EVA formula and other ways of expressing it; result interpretation, converting accounting figures to their economic substance, calculation of the main EVA components.
6. **Use of EVA as the Starting Point for Economic Business Management Systems**: Nature and construction of the EVA indicator; main areas of use in business management; value driver identification using the EVA pyramidal breakdown; linking EVA with other management concepts.
7. **EVA as the Basis for Incentive Systems**: Reasons for using EVA in incentive systems; bonuses as the basis for budgets; manager compensation with EVA-based incentives; linking productivity growth with wage increases for rank-and-file employees; characteristics of feasible EVA-based bonus systems; use of bonus banks and stock options; examples of EVA-based bonus plans.
8. **Risks in the Enterprise**: Definition and further basic characteristics of risk; business risk and its basic types—risk classification; basic methods for risk measurement and management.



9. **Methods for Reducing Business Risks:** Offensive and defensive approaches – reducing probability of risk occurrence, limiting the magnitude of adverse impacts, risk transfer, leveraging company strength, activity diversification, increasing project flexibility, risk sharing and transfer, insurance, creation of reserves.
10. **Managing Market, Financial, and Credit Risk in Companies:** Content of risk management—risk management, effective risk management and corporate culture, static and dynamic risks, stages of risk management, risk analysis, and defining the so-called risk position of the company; plan of corrective measures and their implementation.
11. **Company Competitiveness in the Global Economy:** Competitiveness and competitive advantage; classical theories of competitive advantage (Porter, Kotler); measuring competitiveness—macro- and micro-level; new concepts of competitiveness—the ability to generate economic profit; factors of competitive potential—identity, integrity, mobility, and sovereignty of the firm; competitiveness as the ability to handle change; competition in the “new economy”—the influence of knowledge workers and “cooperating competitors”.
12. **International Accounting I. US GAAP vs. IFRS:** Reasons for harmonization, statement users, brief development, IAS, IFRS, IFRS structure, comparison of financial statements prepared according to Czech standards and Czech law with those according to IFRS (balance sheet vs. statement of financial position, income statement, statement of cash flows, statement of changes in equity).
13. **International Accounting II. Valuation Methods:** Long-Term Assets—acquisition, valuation, depreciation, disclosure, disposal; inventories, subsidies, financial instruments, leasing, liabilities and provisions.
14. **Relationship Between Financial Accounting, Managerial Accounting, and Financial Management:** The position of the controlling department in a company—nature and tasks of controlling, reporting and analysis of financial data, reasons for reporting, the controlling process, corporate social responsibility—CSR reporting development, CSR pillars.
15. **Cost Controlling:** Methods of cost classification (by type, by purpose, by costing structure, in relation to performed activities), cost modelling (break-even analysis, CVP analysis, operational leverage), mark-up and margin.
16. **Operational Planning and Budgeting:** Controlling, reporting, and planning; operating budget, budgeting system, planning time horizon, planning cycle phases, proposal for an effective forecast.
17. **Financial Controlling Balance rules:** balance rule, ratio rule, rule of risk balancing, financial analysis indicators (liquidity, profitability, turnover, activity, and indebtedness).



18. **Strategic Controlling:** Creating an effective strategic plan, selected strategic analysis tools (SWOT analysis, DCF, EVA, Balanced Scorecard, BCG matrix).
19. **Investment Controlling:** Tasks of investment controlling, investment process, the role of controlling in investment processes, main tasks of investment controlling, pre-feasibility study, feasibility study, static and dynamic methods for evaluating investment effectiveness.

Basic:

BREALEY Richard A., Stewart C. MYERS a Franklin ALLEN. Principles of corporate finance. New York, 2014. ISBN 978-0-07-803476-3.

STEWART, Bennett G. Best-practice EVA: the definitive guide to measuring and maximizing shareholder value. Hoboken: Wiley, 2013. ISBN 978-1-118-63938-2.

Corporate Value of Enterprise Risk Management. Online. *Wiley eBooks*. 2012. DOI: 10.1002/9781119200741.

Berkau, Carsten. Financial Statements: International Accounting (IFRS). UVK Verlag, 2019.

HORVÁTH & PARTNERS. The Controlling Concept: Cornerstone of Performance Management. Munchen, 2019. ISBN 978-3-8006-5380-5.

Grant, James L. Foundations of economic value added. 2nd ed. New York, 2003. ISBN 0-471-23483-4.

Recommended:

Collier, Paul M. Management accounting - risk and control strategy. Amsterdam, 2006. ISBN 0-7506-8042-3.

Ray Garrison, Eric Noreen, Peter Brewer. Managerial Accounting. Irwing, 2011. ISBN 978-0078025631.

HILTON, Ronald W. a David E. PLATT. Managerial Accounting: Creating Value in a Dynamic Business Environment. New York, 2017. ISBN 978-981-3151-65-9.

Mercer, Z. Christopher. Valuing enterprise and shareholder cash flows. Memphis, 2004. ISBN 0-9700698-5-

