BUSADMIN V704
Advanced Business Valuation Concepts and Applications
Fall 2025 Course Outline

Information, Marketing, Operations Area
DeGroote School of Business
McMaster University

COURSE OBJECTIVE

Building on technical valuation techniques, approaches, and methods, this course is designed for rich discussions and engagement with a practical focus on the impact that different situations, goals, and objectives have on the value conclusion.

INSTRUCTOR AND CONTACT INFORMATION

Thursday 19:00 – 22:00
Instructor: Bobby Hinduja CPA, CA, CBV
hindujar@mcmcaster.ca
Class Location: See Mosaic
Office Hours: By appointment only

Course website: Homepage - BUSADMIN V704:Advanced Strategic Business Valuation

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COURSE ELEMENTS

Credit Value:	3	Leadership:	Yes	IT skills:	No	Global view:	Yes
Avenue:	Yes	Ethics:	Yes	Numeracy:	Yes	Written skills:	Yes
Participation:	Yes	Innovation:	Yes	Group work:	Yes	Oral skills:	Yes
Evidence-based:	Yes	Experiential:	No	Final Exam:	No	Guest speaker(s):	No

COURSE DESCRIPTION

The goal of this course is to get you thinking about complicated valuation issues in a practical mindset- much like a professional business valuator would do in practice. This course is divided into four distinct sections:

1) Valuations in an advisory context;
2) Valuations for litigation purposes;
3) Valuations for other non-litigation purposes; and
4) Current professional practice issues.

Assessing the value of a business requires an analysis and weighting of all value drivers, both tangible and intangible, quantitative and qualitative, and those that are within the control of management (internal), and those that are not (external). The first section of this course focuses on measuring, enhancing, and managing the value of businesses, and the culmination of the management of value process in the merger and acquisition or divestiture process. Advanced topics such as deal structure, marketing a deal, tax implications, value allocation, and intangible assets are also discussed.

In the second section of this course, we will learn about the legal environment for which many business value assessments are required. Concepts of Canadian business law will be explored including shareholder and partner disputes, matrimonial breakdown, and the quantification of economic damages.

The differentiation between a non-independent advisor and an independent expert will be discussed.
In the third section of this course, we will discuss the work which valuators perform for purposes outside of the M&A and litigation realm, and how such engagements differ from those with a litigious or M&A purpose.

The course culminates in a team case analysis and presentation incorporating:

- Value measurement and
- Value management, including value-enhancement strategy identification and implementation.

In a broader sense, helping students continue their transition to becoming professionals is the primary goal of this course, and done through a valuation lens.

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LEARNING OUTCOMES

Upon completion of this course, students will be able to complete the following key tasks:

- Assess businesses, and their value, for various situations and purposes.
- Allocate value among various classes of securities.
- Assess justifiable values for business opportunities by comparing the required invested capital, the expected return on invested capital, and the weighted average cost of capital.
- Assess valuation approaches for mergers, acquisitions, and divestitures.
- Identify the sources of information to be input into valuation-assessment models and understand the ways to test the integrity/reliability of that information.
- Assess the drivers of value in numerous enterprise types and develop appropriate valuation methodologies.
- Provide ideas to management which will result in an increase in shareholder (and other stakeholder) enterprise or equity value.
- Explain valuation issues and other issues related to various types of legal disputes.
- Explain valuation issues and other issues related to various types of non-litigious valuation assignments.
- Understand non-routine business and operating factors which affect value and assess the effect that such factors have on value.
- Identify situations in which a valuator may encounter a professional practice issue and explain the steps which a professional should take in such situations.

REQUIRED COURSE MATERIALS AND READINGS

- Textbook: Howard E. Johnson, Business Valuation, 2021
- Various articles and other publications will be provided in advance of lectures through the course website

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EVALUATION

Learning in this course results primarily from class preparation (readings), in-class discussion and exercises, and guest lecturers. The instructor will provide real-world examples to bring clarity to the readings and discussions. Students are required to do the same.
Students will be evaluated on:
a) Their participation in, and contribution to, the class;

b) Their performance on an in-class commentary of current events or issues in valuation;
c) Their performance on a test of core knowledge;
d) Group work for a major case analysis.

Components and Weights

Your final grade will be calculated as follows:

In-class participation (individual)	15%
Current events commentary (groups of 2)	20%
In-Class Test	25%
Group Project - Case Analysis, Report and Presentation	40%
Total	**100%**

NOTE: The use of a McMaster standard calculator is allowed during examinations in this course. See McMaster calculator policy at the following URL:

www.mcmaster.ca/policy/Students-AcademicStudies/UndergraduateExaminationsPolicy.pdf

Grade Conversion

At the end of the course your overall percentage grade will be converted to your letter grade in accordance with the following conversion scheme:

LETTER GRADE	PERCENT	POINTS
A+	90-100	12
A	85-89	11
A-	80-84	10
B+	75-79	9

B	70-74	8
B-	60-69	7
F	00-59	0

Course Deliverables

Participation (15%)
Each class will contain a thorough discussion on various valuation issues and topics. This will include discussions of current events with a valuation focus and real-life examples and practical uses of valuation. You are expected to contribute to all class discussions. You must have a name card with your **full first and last name** clearly written and displayed in front of you for every class.

In-Class Test – Valuation (25%)
There is one test in this course that accounts for **25%** of your final grade. This test will cover material from the lectures, class discussions, textbook and readings. The test will include multiple choice, short questions and longer valuation related exercises. You will be provided examples of each prior to the test. You are allowed to use a calculator and pen for the test. This test will not be open book.

Current Events Commentary (20%)
The application of technical business valuation education to “real-world” scenarios is also an essential part of the learning process and is an important part of being a well-informed professional. Students, in groups of 2, will be required to provide a 15-minute max presentation of a current event (of their choosing) dealing with valuations, mergers and acquisition, economic loss quantification, or any other topic related to course content. PowerPoint slides accompanying the presentation must be submitted prior to the presentation. Following the student’s presentation, the class will have a chance to ask questions on the topic. Although the students will not be penalized if they are unable to answer certain questions, the student is expected to fully understand their topic of choice, be aware of all the relevant facts and have an opinion as to the relevance of their topic to the course content. Students can choose their partner for this project.

Group Project (40%)
The group project, worth 40%, will test the students’ ability to apply the technical knowledge acquired during the course to a real-world case simulation. The assignment will be geared to the measurement of value and the creation of a detailed value-enhancement strategy. It involves preparing a report and giving a presentation to your theoretical client or the theoretical board of directors of a company that employs you. The assignment will be completed with the presentation and submission of the written report.

1) Select a subject (publicly traded) company and perform an independent analysis of its “standalone value”.

2) Compare your analysis of stand-alone value to the market's assessment at that time.

3) Provide the company's board of directors with ideas and strategies that they can implement, along with the implementation instructions, to increase the value of the company.

4) For the last step, choose a potential purchaser for the above company (another publicly- traded company). In this step, assume you now work for (or advise) the potential purchaser.

    a) Provide reasons as to why you think the subject company would be a good acquisition for the potential purchaser. These reasons could include (but are not limited to) synergies, operational compatibility, etc.

    b) Also provide a "fair" offer price (en bloc value) for the subject company, with explanation.

A written report containing a mix of narrative explanations and numerical analysis is expected. A (approximately) 30-minute presentation to the recipient of the report with up to (approximately) 30 minutes of Q&A is expected.

The marking key for the assignment will be approximately 30% value measurement, 25% value management/enhancement, 25% identification of divestiture scenario calculation and discussion, and 20% professionalism and quality of the presentation, written report and advice given. There will be a component of the presentation mark that is related to your personal presentation as well as if the group presentation overall was balanced.

A reasonable expectation for the size of the report is (approximately) 30 pages of narrative and (approximately) 10-15 schedules of numerical analysis.

Resources Used

All resources used (either in the presentation or the written report) must be sourced and either a link (for articles/information available online) or the appropriate excerpt relied upon must be provided.
If you are relying on a specific piece of information from a web source (as opposed to the whole article), please print the excerpt, highlight the relevant section, indicate the source (e.g. full weblink), scan and include with your assignment submission.

COMMUNICATION AND FEEDBACK

Students that are uncomfortable in directly approaching an instructor regarding a course concern may send a confidential and anonymous email to the respective Area Chair or Associate Dean:

http://mbastudent.degroote.mcmaster.ca/contact/anonymous/

Students who wish to correspond with instructors or TAs directly via email must send messages that originate from their official McMaster University email account. This protects the confidentiality and sensitivity of information as well as confirms the identity of the student. Emails regarding course issues should NOT be sent to the Administrative Assistant.

Instructors are encouraged to conduct an informal course review with students by Week #4 to allow time for modifications in curriculum delivery. Instructors should provide evaluation feedback for at least 10% of the final grade to students prior to Week #8 in the term.

ACADEMIC INTEGRITY

You are expected to exhibit honesty and use ethical behaviour in all aspects of the learning process. Academic credentials you earn are rooted in principles of honesty and academic integrity.

Academic dishonesty is to knowingly act or fail to act in a way that results or could result in unearned academic credit or advantage. This behaviour can result in serious consequences, e.g. the grade of zero on an assignment, loss of credit with a notation on the transcript (notation reads: "Grade of F assigned for academic dishonesty"), and/or suspension or expulsion from the university.

It is your responsibility to understand what constitutes academic dishonesty. For information on the various types of academic dishonesty please refer to the Academic Integrity Policy, located at:

www.mcmaster.ca/academicintegrity

Students are responsible for being aware of and demonstrating behaviour that is honest and ethical in their academic work. Such behaviour includes:

- following the expectations articulated by instructors for referencing sources of information and for group work;
- asking for clarification of expectations as necessary;
- identifying testing situations that may allow copying;
- preventing their work from being used by others (e.g., protecting access to computer files); and
- adhering to the principles of academic integrity when conducting and reporting research.

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AUTHENTICITY/PLAGIARISM DETECTION

Some courses may use a web-based service (Turnitin.com) to reveal authenticity and ownership of student submitted work. For courses using such software, students will be expected to submit their work electronically either directly to Turnitin.com or via an online learning platform (e.g. A2L, etc.) using plagiarism detection (a service supported by Turnitin.com) so it can be checked for academic dishonesty.

Students who do not wish their work to be submitted through the plagiarism detection software must inform the Instructor before the assignment is due. No penalty will be assigned to a student who does not submit work to the plagiarism detection software.

All submitted work is subject to normal verification that standards of academic integrity have been upheld (e.g., on-line search, other software, etc.). For more details about McMaster's use of Turnitin.com please go to www.mcmaster.ca/academicintegrity.

COURSES WITH AN ONLINE ELEMENT

All courses use some online elements (e.g. e-mail, Avenue to Learn (A2L), LearnLink, web pages, capa, Moodle, ThinkingCap, etc.). Students should be aware that, when they access the electronic components of a course using these elements, private information such as first and last names, user names for the McMaster e-mail accounts, and program affiliation may become apparent to all other students in the same course.

Students may be required to use the Respondus LockDown Browser and Respondus Monitor. The Respondus LockDown Browser is a downloadable program that allows a student to take an Avenue to Learn quiz in a secure environment. Quizzes can be set to use LockDown Browser or LockDown Browser.

For more details about McMaster's use of Respondus Lockdown Browser please go to https://avenuehelp.mcmaster.ca/exec/respondus-lockdown-browser-and-respondus-monitor/

The available information is dependent on the technology used. Continuation in a course that uses online elements will be deemed consent to this disclosure. If you have any questions or concerns about such disclosure, please discuss this with the course instructor.

ONLINE PROCTORING

Some courses may use online proctoring software for tests and exams. This software may require students to turn on their video camera, present identification, monitor and record their computer activities, and/or lock/restrict their browser or other applications/software during tests or exams. This software may be required to be installed before the test/exam begins.

CONDUCT EXPECTATIONS

As a McMaster student, you have the right to experience, and the responsibility to demonstrate, respectful and dignified interactions within all of our living, learning and working communities. These expectations are described in the *Code of Student Rights & Responsibilities* (the "Code"). All students share the responsibility of maintaining a positive environment for the academic and personal growth of all McMaster community members, **whether in person or online**.

It is essential that students be mindful of their interactions online, as the Code remains in effect in virtual learning environments. The Code applies to any interactions that adversely affect, disrupt, or interfere with reasonable participation in University activities. Student disruptions or behaviours that interfere with university functions on online platforms (e.g. use of Avenue 2 Learn, WebEx, Teams, or Zoom for delivery), will be taken very seriously and will be investigated. Outcomes may include restriction or removal of the involved students' access to these platforms.

ATTENDANCE

Arriving late or missing class disrupts the learning experience for both you and your peers. Punctuality and attendance are crucial to maintaining a respectful, professional and productive environment for everyone, including our faculty.

Instructors may use Top Hat in their course in a variety of ways, including to capture attendance in their classes. Attendance is recorded by submitting a unique 4-digit code displayed in your physical classroom using your personal device.

MISSED ACADEMIC WORK

Missed Mid-Term Examinations / Tests / Class Participation

Please do not use the online McMaster Student Absence Form (MSAF) as this is for Undergraduate students only. The MBA program will not accept an MSAF.

When students miss regularly scheduled term work which contributes 10% or more to the final grade, for legitimate reasons as determined by the DSB Student Services – Academic Office (DSSAO (DSB Student Services Academic Office)), the activity necessary to compensate for the missed work will be determined by the course instructor. The compensatory activities assigned will vary with the nature of the course and the missed requirement. They include, but are not restricted to, an alternative assignment, a rescheduled midterm exam, or re-weighting the marks for the missed component to other mark components. Documentation explaining such missed work must be provided to the DSSAO (DSB Student Services Academic Office) within five (5) working days of the scheduled date for completion of the work.

Acceptable reasons for missed work, along with the Petition for Missed Term Work and the MBA Student McMaster University Student Health Certificate, can be found on the DeGroote MBA Student website (mbastudent.degroote.mcmaster.ca). Please direct any questions about acceptable documentation to the MBA Academic Advisors (askmba@mcmaster.ca).

University policy states that a student may submit a maximum of three (3) Petition for Missed Term Work per academic year, after which the student must meet with the Director of the program.

If term work is missed without an approved reason, students will receive a grade of zero (0) for that component.

Missed Final Examinations

Students must be available for the duration of the posted exam period regardless of their personal exam schedule. This is to ensure student availability throughout the entire exam period in the event that an exam must be rescheduled due to unforeseen circumstances (university closure, power outage, storm policy, etc.). A student who misses a final examination without valid reason will receive a mark of 0 on the examination.

Students who have missed a final exam for a valid reason can apply to the DSSAO (DSB Student Services Academic Office) to write a deferred examination by submitting an Application for Deferring a Final Exam with supporting documentation. The application must be made within five days of the scheduled exam.

The [Application for Deferring a Final Exam]and the [MBA Student McMaster University Student Health Certificate] can be found on the DeGroote MBA Current Student website (mbastudent.degroote.mcmaster.ca)

Deferred examination privileges, if granted, are normally satisfied during the examination period at the end of the following semester. In select cases, the deferred examination may be written at a time facilitated by the DSSAO (DSB Student Services Academic Office) (DSB Student Services Academic Office) and agreed to by the course instructor.

Requests for a second deferral or rescheduling of a deferred examination will not be considered.

ACADEMIC ACCOMMODATION FOR STUDENTS WITH DISABILITIES

Student Accessibility Services (SAS) offers various support services for students with disabilities. Students are required to inform SAS of accommodation needs for course work at the outset of term. Students must forward a copy of such SAS accommodation to the instructor normally, within the first three (3) weeks of classes by setting up an appointment with the instructor. If a student with a disability chooses NOT to take advantage of an SAS accommodation and chooses to sit for a regular exam, a petition for relief may not be filed after the examination is complete. The SAS website is:

http://sas.mcmaster.ca

Use of Test Accommodations at McMaster University Burlington Campus Ron Joyce Centre

Whereas Student Accessibility Services (SAS), on Main Campus, determines all MBA student accommodations, the MBA Faculty Office manages the coordination of accommodations for tests, midterms, and exams at the Ron Joyce Centre in Burlington.

Process for Students

- SAS will now be using our online system, MySAS Portal, for graduate students to share accommodation letters with their Instructors and their Faculty/Program. Students will be responsible to activate their accommodations on a term-by-term basis and the approved accommodation letter will be directly sent to the Instructor.

- Students must engage the DSSAO (DSB Student Services Academic Office) to implement their accommodation(s) (e.g., extra-time, memory aid, etc.) for each upcoming test, midterm, or exam, at least two weeks in advance. Students can do this by emailing DeGroote MBA SAS scheduling office at DSBSAS@mcmaster.ca. If a student cannot meet this deadline, they should contact DSBSAS@mcmaster.ca to discuss alternative arrangements. The program is committed to exploring flexibilities where possible to support students.

- All tests, midterms, and exams are booked synchronously with the class's start time. Any deviations from the start time (e.g. start earlier than the class to enable completion at the same end time) requires a discussion with their instructor on protocol at the time of accommodation activation.

- Students will leverage the accommodation (e.g., extra-time, memory aid, etc.), in a designated testing room. Rooms will be booked according to the student's SAS accommodation. Unless the accommodation states otherwise, students should expect that they will be writing in a room with other students. One or more invigilators will always be in the room.

- Following the request to implement the accommodation(s), dsbsas@mcmaster.ca will reach out to the student with their test, midterm, or exam details, including the date, time, and room number. As there may be other students writing tests in the room, we ask that students enter the room quietly and leave all personal items at the front of the room.

All policies and procedures, including restroom access, how extra-time is allocated for assessments under Universal Design, and the submission of memory aids in advance, are consistent with those of SAS on Main Campus. The only variance in procedure is communication around, and physical location of, assessment. There is not a dedicated testing space at RJC. Existing classrooms and lecture halls will be used for most testing. All SAS-approved accommodations will be honoured by our staff; however, core testing elements are not eliminated in alternative testing formats. Students should expect and plan for invigilation, incidental noise, and other potential distractions.

ACADEMIC ACCOMMODATION FOR RELIGIOUS, INDIGENOUS OR SPIRITUAL OBSERVANCES (RISO)

Students requiring academic accommodation based on religious, indigenous or spiritual observances should follow the procedures set out in the RISO policy. Students should submit their request to the DSSAO (DSB Student Services Academic Office) ***normally within 10 working days*** of the beginning of term in which they anticipate a need for accommodation. Students should also contact their instructors as soon as possible to make alternative arrangements for classes, assignments, and tests.

COPYRIGHT AND RECORDING

Students are advised that lectures, demonstrations, performances, and any other course material provided by an instructor include copyright protected works. The Copyright Act and copyright law protect every original literary, dramatic, musical and artistic work, **including lectures** by University instructors.

The recording of lectures, tutorials, or other methods of instruction may occur during a course. Recording may be done by either the instructor for the purpose of authorized distribution, or by a student for the purpose of personal study. Students should be aware that their voice and/or image may be recorded by others during the class. Please speak with the instructor if this is a concern for you.

POTENTIAL MODIFICATION TO THE COURSE

The instructor and university reserve the right to modify elements of the course during the term. The university may change the dates and deadlines for any or all courses in extreme circumstances. If either type of modification becomes necessary, reasonable notice and communication with the students will be given with explanation and the opportunity to comment on changes. It is the responsibility of the student to check their McMaster email and course websites weekly during the term and to note any changes.

ACKNOWLEDGEMENT OF COURSE POLICIES

Your registration and continuous participation (e.g. on A2L, in the classroom, etc.) to the various learning activities of MBA V704 will be considered to be an implicit acknowledgement of the course policies outlined above, or of any other that may be announced during lecture and/or on A2L. **It is your responsibility to read this course outline, to familiarize yourself with the course policies and to act accordingly.**

Lack of awareness of the course policies **cannot be invoked** at any point during this course for failure to meet them. It is your responsibility to ask for clarification on any policies that you do not understand.

ARTIFICIAL INTELLIGENCE

Artificial intelligence tools (e.g., ChatGPT, Copilot, and similar platforms) may be used as a supplementary resource to support your understanding of course concepts, clarify complex topics, and assist in exploring valuation methodologies. However, AI must not be used as a substitute for independent analysis or as a “plug-and-crank” solution to complete assignments and assessments.

All submitted work must reflect your own critical thinking, professional judgment, and application of course material. Reliance on AI to generate complete answers without meaningful engagement and adaptation is considered inconsistent with the learning objectives of this course and may violate the University’s academic integrity policy.

Students are encouraged to use AI responsibly. Please treat it as a learning aid and not as a replacement for your own work.

COURSE SCHEDULE

MBA V704
Advanced Business Valuation Concepts and Applications
Fall 2025 Course Schedule

WEEK	DATE	ASSIGNMENT
1	Thu. Sept 11	• Introduction to the class • CICBV Program of Studies • Valuation profession Classes 1 to 3 will contain an overview of valuation approaches, including the following: a) Core valuation concepts & basics of value **(Johnson Ch. 1, 2)** b) Company financial analysis - Accounting profits vs cash flow - Dissecting and segregating the balance sheet c) Brief re-cap of:

		• Asset-based Valuation Methodologies **(Johnson Ch. 3, excluding sections titled "Real Estate Valuation", "Equipment Valuation")** • Earnings-based valuation methodologies **(Johnson Ch.4, 6 and 7)** and cost of capital **(Johnson Ch. 8)**
2	Thu. Sept. 18	• Review of Week 1 Exercises (Pre-Class) • Continuation of recap • Earnings-based valuation methodologies **(Johnson Ch.4, 6 and 7)** and cost of capital **(Johnson Ch. 8)** • Intro to DCF
3	Thu. Sept. 25	• Review of Week 2 Exercises (Pre-Class) • DCF Valuation Methodology • Comparable Transactions and Companies (**Johnson Chapter 5**)
4	Thu. Oct 2	• Current events (2-3 Presentations) • Market based approaches to valuation • Valuation review • Begin after the enterprise value conclusion discussion
5	Thu. Oct 9	• Current events (2-3 Presentations) • After the enterprise value conclusion: ➢ Triangulation of value calculations ➢ Enterprise value vs. equity value ➢ Allocation of value amongst securities ➢ Discounts and premiums • Value Creation: • Fundamental principles of value creation, ROIC, and growth
6	Thu. Oct 16	• Value Creation and ROIC: ➢ Reorganizing the F/S ➢ Analyzing performance and competitive position.

		➢ Corporate portfolio strategy and performance management
7	Thu. Oct 23	• Mergers, Acquisitions & Divestitures (**Johnson Ch. 10**) ➢ Creating value through M&A ➢ Selling a business to management vs. externally ➢ Creating value through divestitures ➢ Marketing and negotiating the deal ➢ Acquisition and divestiture strategies and processes ➢ Value maximization as a business strategy ➢ Deal Structure ➢ Assets vs. Shares ➢ Bridging the gap
8	Thu. Oct 30	• Test #1 (All class).
9	Thu. Nov 6	• Test #1 take-up • Investor Communications • Public Market Behaviour • Take-Over Bids: Insider/Issuer Bids, Going Private
10	Thu. Nov 13	• Litigation-related valuations and other valuation issues • Partner and shareholder disputes (**Johnson Ch. 9 – "Shareholder Rights and Remedies" and "Shareholder Agreements"**) • Matrimonial Breakdown
11	Thu. Nov 20	• Small Business Valuation Issues and Planning • Analysis of historical business events through a valuation lens
12	Thu. Nov 27	• Ethics in valuation and finance • Group Presentations
13	Thu. Dec 4	• Group Presentations • Final Remarks

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