

RESEARCH SEMINARS 2019

**CEFAGE-UAIg**

center for advanced studies in management and economics

## CAPITAL INVESTMENT ANALYSIS

# MAKING INVESTMENT DECISIONS IN HEALTH CARE SECTOR

Katarzyna M. Miszczyńska

Ph.D., Assistant Professor

University of Lodz, Faculty of Economics and Sociology, Department of Public Finance

**12th March 2019**

11h

Sala de Atos Faculdade de Economia | Universidade do Algarve

**Abstract:** Capital investment decisions involve large monetary investments expected to achieve long-term benefits for an organization. A capital investment decision has two components: determining if the investment is worth undertaking and determining how to finance the investment. These two decisions are interrelated but should be considered separately. Due to this fact, the seminar will focus on determining whether a capital investment should be undertaken. The aim of the seminar is to present some issues concerning the objectives of capital investment analysis and the techniques used to analyze it. An investment decision involves many factors and financial techniques. Those techniques are most commonly grouped into simple methods and those that include the change in the value of money over time. The seminar will be based on three commonly used financial techniques applied in healthcare organizations: payback method, net present value and internal rate of return method. Additionally, there will be also presented the Earned Value method as a tool for monitoring the course of the capital investment project. All the discussed methods will be supported by the examples embedded in the realities of making investment decisions in the healthcare sector.

**Katarzyna M. Miszczyńska** (PhD, University of Lodz) is an Assistant Professor at the University of Lodz, Department of Public Finance. Her research interests focus on the issues concerning health economics, financing healthcare sector and optimization of financial decisions in the healthcare sector. Currently she is the manager of a grant funded by the National Science Center in Poland, which touches on the problem of Multicriteria assessment of efficiency of public hospitals in Poland and identification of determinants of their indebtedness.