TEXTBOOK

Faculty of Management

Master of Business Studies (MBS)
Curriculum
Effective from 2009

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Master of Business Studies (MBS)

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The Faculty of Management (FOM), Tribhuvan University, has its ultimate objective of educating students for professional pursuits in business, industry and government. It is further dedicated to contributing for increasing the knowledge and understanding of business and public administration. In this pursuit, FOM aims to develop a networking with management institutes in the country and achieving higher level efficiency in management of business and public entities. It also aims to continuously innovate and promote cost effective, socially relevant, modern technology-based educational programs in Nepal.

The FOM offers instruction leading to Bachelor of Business Studies (BBS), Bachelor of Travel and Tourism Management (BTTM), Bachelor of Hotel Management (BHM), Bachelor of Business Administration (BBA), Bachelor of Information Management (BIM), Master of Business Studies (MBS), Post Graduate Diploma in Police Science (PGDPS), Master of Tourism Management (MTM), and Master of Public Administration (MPA). The FOM also offers Master of Philosophy (M.Phil.) in management and doctoral program leading to a degree of Doctor of Philosophy (Ph.D.).

Master of Business Studies (MBS)

I. Programme Objectives

The objective of the MBS programme is to enable the students to work as competent managers and to meet the demand of higher level managers in organizations, particularly in the functional areas of management. Upon graduation, a student should be able to function as a manager in business, industry, government and non-government sectors, within and outside the country, in areas like accounting, marketing, finance and general management. The MBS programme specifically aims to:

1. Equip the students with required conceptual knowledge of business and management.
2. Prepare managers in the functional areas of management.
3. Develop knowledge and skill of business environment in national and global perspective.

4. Encourage entrepreneurial capabilities in students to make them effective change agents in the Nepalese society.
5. Develop research capability in the students.

II. Curricular Structure

The FOM recognizes the need for both breadth and depth in the total academic pattern. Therefore, the curriculum for MBS degree comprises three separate and distinct course components. The three components are:

1. Core Courses

Core business courses integrate all analytical and functional areas and provide the students with an appreciation of the diversity and inter-relationship of business and management issues. It includes subjects such as Research Methodology and Statistical Methods, Business Economics, Organizational Behaviour and Human Resources Management, Managerial Finance, Management Accountancy, Marketing Management, Production and Operations Management, Entrepreneurship Development and Strategic Management and Business Environment.

2. Specialization Courses

Specialization in any one of the areas, such as, Accounting, Finance, Marketing, General Management and Management Science enables the student to develop expertise in the functional area.

3. Thesis Writing or Project Work

The MBS programme requires the students to conduct original research work during the second year of the two-year study period. Students are required to either write a thesis or undertake two project assignments based on their original research work. Students opting thesis or project reports are encouraged to write their thesis or project reports within the selected specialization area.

III. Eligibility Conditions for Admission

The students applying for admission to MBS course must have successfully completed the BBS programme or a bachelor degree on any discipline from Tribhuvan University or from any other university recognized by Tribhuvan University.

IV. Admission Test.

The Faculty of Management (FOM) shall conduct a Central Management Admission Test (CMAT) for the MBS Programme. Students eligible for MBS programme must sit in the CMAT in order to qualify to apply for admission to the campuses offering the MBS programme. The FOM shall issue a score-sheet to each student appearing in the CMAT. The admission test shall be concentrated on the following areas:

- Verbal Ability
- Quantitative Ability
- Business and Economics
- Logical Reasoning
- General Awareness

Students must submit a CMAT Request Form to the FOM. Students must submit their applications for admission to the campuses along with the score-sheet. Campuses shall prepare their admission merit list based on the CMAT score. The admission shall be strictly on a competitive basis. The applicants must enclose along with the application form attested copies of:

- Certificates / testimonials of all examinations passed;
- equivalence, transfer and character certificates, wherever applicable; and
- two passport size photographs.

Candidates selected for admission will have to produce at the time of admission original certificates / testimonials of all examinations passed.

V. Minimum General Requirements

The minimum general requirements for the MBS programme are as follows:

1. An academic year will consist of a minimum of 150 teaching days excluding the days taken for admission and annual examinations.
2. A paper of 100 marks will have a minimum of 100 lecture hours and a paper of 50 marks will have a minimum of 50 lecture hours. Each lecture must be of 1 hour (60 minutes) duration.

VI. Attendance, Evaluation and Grading System

The evaluation of the students will be based on the external examination (annual examination) at the end of the academic year. The weight and modalities of the annual examination shall be 100% and written tests.

In order to qualify to appear in the annual examinations, students must meet the following requirements:

- The student must have a minimum of 70 percent attendance of the classes actually held.
- No students will be allowed to appear in the second year final examinations without first appearing in the first year final examinations.
- The programme allows only regular students to sit in the examination.

The grading system in the annual examinations is as follows:

Third Division	40 %
Second Division	50 %
First Division	60 %
Distinction	75 %

VII. Thesis and Project Work

Students opting thesis or project reports are encouraged to write their thesis or project reports within the selected specialization area.

Thesis

Only those students who have passed all courses of the first year programme shall be allowed to write the thesis. The thesis has to be written under the direct supervision of a faculty member of the campus / department.

Evaluation of the thesis shall be based on the written part (75 marks) and viva-voce (25 marks). The evaluation of the written part of the thesis shall be conducted through two external examiners. Students should submit three copies of the thesis to the campus / department for evaluation. The concerned campus / department should submit two copies of the thesis to the Office of the Dean, Faculty of Management for external evaluation. Viva-voce of the thesis shall be conducted in the respective campuses by a panel of experts composed of Chairperson of the Research Department, the thesis supervisor, and one external examiner to be appointed by the Office of the Dean.

Both in the evaluations of the written part and viva-voce of the thesis, the average of the marks awarded by the experts will be final.

Project Work

Students who opt for project work shall have to work on two assignments during the second year programme on topics approved by the concerned department. The assignments are to be conducted on subject areas of contemporary relevance.

Assignment I: Term Paper: The first project assignment shall be a term paper concentrated on a literature survey in the approved topic. The term paper should be written in about 2000 words. The evaluation of the term paper shall be conducted internally by the concerned department. The term paper shall carry 25 marks.

Assignment II: Field Work: The second project assignment shall be a project report based on a fieldwork on the approved topic. The concerned department has to approve the topic. In the fieldwork, the student will have to collect data and information using relevant instruments. The data and information will have to be tabulated, analyzed, synthesized and presented in the form of a report in the prescribed format. The report is to be written in about 4000 words. An external evaluator will evaluate the report. The field report shall carry 75 marks.

VIII. Method of Instruction (Teaching Pedagogy)

The method of instruction in the MBS programme will be focused on the ways that will help the students to understand and analyze the real-life situations in Nepalese business, industry and government, and the global management environment. A combination of class lectures, group discussions, problem solving exercises, guest lectures, seminar presentations, case analyses, review of literature or small project work will be adopted as the teaching methodology.

IX. Graduation Requirements

The MBS programme extends to two academic years. The MBS degree is awarded on its successful completion. All candidates for the MBS degree must fulfill the following requirements:

- The successful completion of 1000 marks as prescribed with passing grades in all the courses

- The passing scores obtained in all theory papers, thesis / seminar papers separately.
- Completion of courses for the fulfillment of the MBS programme must occur within six years from the time of admission.

X. Course Composition

The MBS programme requires the students to study a total of 1000 marks. Nine core courses (700 marks), two specialization courses (200 marks) and a thesis or two project reports (100 marks) will have to be completed. The course composition is as follows:

Core Courses		**700 marks**
1. MSC 501	Research Methodology and Statistical Methods	100 marks
2. MSC 502	Production and Operations Management	100 marks
3. ECO 503	Business Economics	100 marks
4. MGT 504	Organizational Behaviour and Human Resource Management	100 marks
5. MGT 505	Strategic Management and Business Environment	100 marks
6. MGT 506	Entrepreneurship Development	50 marks
7. ACC 507	Management Accounting	50 marks
8. FIN 508	Managerial Finance	50 marks
9. MKT 509	Marketing Management	50 marks

Specialization Courses **200 marks**

(Any two courses from following specialization area):

A. Management Science (Any two courses)

1. MSC 603	Management Information System	100 marks
2. MSC 604	Decision Support System	100 marks
3. MSC 605	Productivity Management	100 marks
4. MSC 606	Total Quality Management	100 marks

B. Accounting (Any two courses)

1. ACC 611	Profit Planning and Control	100 marks
2. ACC 612	Advanced Auditing	100 marks
3. ACC 613	Tax Laws and Tax Planning	100 marks

4.	ACC 614	Accounting Theory and Financial Reporting 1 0 0 marks	

C. General Management (Any two courses)

1.	MGT 621	Small Business Management	100 marks
2.	MGT 622	International Business	100 marks
3.	MGT 623	Organizational Development	100 marks
4.	MGT 624	Labor Relations	100 marks

D. Finance (Any two courses)

1.	FIN 631	Foundations of Financial Theory	100 marks
2.	FIN 632	Capital Structure Management	100 marks
3.	FIN 633	Investment Management	100 marks
4.	FIN 634	Financial Institutions and Markets	100 marks
5.	FIN 635	Multinational Corporate Finance	100 marks
6.	FIN 636	Assets Management	100 marks

E. Marketing (Any two course)

1.	MKT 641	Services Marketing Strategies	100 marks
2.	MKT 642	Consumer Behaviour	100 marks
3.	MKT 643	Marketing Research	100 marks
4.	MKT 644	Global Marketing	100 marks
5.	MKT 645	Strategic Brand Management	100 marks

F. RCH 601 **Thesis 1 0 0 marks**

G. RCH 602 **Project Work 100 marks**

(Two Assignments within the specialization area).

XI. The Course Cycle

In the MBS programme, the courses offered are to be completed in two years. The campus must run for a minimum of 18 hours per week. Each 50 marks paper must have a minimum of 2 lecture hours per week and each 100 marks paper a minimum of 4 lecture hours a week. Each lecture hour has to be of not less than 60 minutes. The course cycle for two years is as follows:

The First Year Programme

The first year programme carries 450 marks and is organized into following six courses:

Course No.	Course Title	
1. MSC 501	Research Methodology and Statistical Methods	100 marks
2. ECO 503	Business Economics	100 marks
3. MGT 504	Organizational Behaviour and Human Resources Management	100 marks
4. ACC 507	Management Accounting	50 marks
5. FIN 508	Managerial Finance	50 marks
6. MKT 509	Marketing Management	50 marks

The Second Year Programme

The second year programme carries 550 marks that constitute of three core courses (250 marks), two specialization courses (200 marks) and a thesis or project work (100 marks). The courses are organized as follows:

Core Courses

1. MSC 502	Production and Operations Management	100 marks
2. MGT 505	Strategic Management and Business Environment	100 marks
3. MGT 506	Entrepreneurship Development	50 marks

Specialization Courses **200 marks**

Any two courses from the following specialization areas:

A. Management Science (Any two courses)

1. MSC 603	Management Information System	100 marks
2. MSC 604	Decision Support System	100 marks
3. MSC 605	Productivity Management	100 marks
4. MSC 606	Total Quality Management	100 marks

B. Accounting (Any two courses)

1. ACC 611	Profit Planning and Control	100 marks
2. ACC 612	Advanced Auditing	100 marks
3. ACC 613	Tax Laws and Tax Planning	100 marks

4.	ACC 614	Accounting Theory and Financial Reporting	100 marks

C. General Management (Any two courses)

1.	MGT 621	Small Business Management	100 marks
2.	MGT 622	International Business	100 marks
3.	MGT 623	Organizational Development	100 marks
4.	MGT 624	Labour Relations	100 marks

D. Finance (Any two courses)

1.	FIN 631	Foundations of Financial Theory	100 marks
2.	FIN 632	Capital Structure Management	100 marks
3.	FIN 633	Investment Management	100 marks
4.	FIN 634	Financial Institutions and Markets	100 marks
5.	FIN 635	Multinational Corporate Finance	100 marks
6	FIN 636	Assets Management	100 marks

E. Marketing (Any two course)

1.	MKT 641	Services Marketing Strategies	100 marks
2.	MKT 642	Consumer Behaviour	100 marks
3.	MKT 643	Marketing Research	100 marks
4.	MKT 644	Global Marketing	100 marks
5.	MKT 645	Strategic Brand Management	100 marks

F.	**RCH 601**	**Thesis**	**100 marks**
G.	**RCH 602**	**Project Work**	**100 marks**

Research Methodology and Statistical Methods

Course Title: ***Research Methodology and Statistical Methods***
Course No.: MSC 501
Nature of the Course: Core *Full Marks: 100*
Duration of the Course: 100 lecture hours *Pass Marks: 40*
Duration of the Class: 60 minutes

Course Objectives

The course aims to familiarize students with basic concepts of research methodology in management exposing them to the relevant concepts and techniques of qualitative and quantitative research methods required for managerial decision making and report writing. Students

will develop an understanding of research issues and processes through statistical analysis of both qualitative and quantitative methods.

Course Description

This course consists of two components: (i) an introduction to basic methodological concepts of social science research, and (ii) basic statistical tools and techniques providing the context required for business research and decision making. The course will include concepts and techniques of social science research, types of research, research design and methodology in the research process, data measurement, data analysis using statistical tools and techniques like probability, distribution, sampling, estimation, testing of hypothesis, correlation and regression, and research report writing.

Group "A": Research Methodology

Course Contents

Unit 1: Introduction to Research **LH 5**

Definition and nature of research; concept, features and process of scientific research; Basic and applied research; Quantitative and qualitative paradigms of research; Features of social science research; Difficulties of applying scientific methods to social science research; Management research – concept, types, methodology, and value of decision making; Ethical issues in management research.

Unit 2: Preliminary Stages of Research **LH 5**

Literature review – sources of the literature, phases in the review, format of review presentation; Problem definition; Theoretical framework – theory, propositions, concepts, constructs, and variables; Deductive and inductive reasoning; Research questions; Hypothesis formulation, types and formats of hypothesis, features and criteria of good hypothesis.

Unit 3: Research Design **LH 5**

Concept; Classification of designs – exploratory, historical, descriptive, case study, developmental, correlational, causal-comparative, survey, experimental, and quasi-experimental research; Qualitative research – concept, features, assumptions, and research design; Pilot study; Sources of error in research design.

Unit 4: Measurement and Scaling **LH 5**

Concept and importance of measurement; Data types – nominal, ordinal, interval, and ratio; Attitude measurement – concept and techniques of measurement; Construction of attitude scales; Different formats of scale construction; Attitude rating and ranking scales: Criteria of good measurement; Reliability and validity of measurement.

Unit 5: Sampling **LH 5**

Concept; Sampling design; Sampling process; Types of sampling – probability and non-probability; Sample size; Sampling vs non-sampling errors; Methods of minimizing such errors.

Unit 6: Data Collection **LH 8**

Classification of primary and secondary data; Quantitative data collection; Sources and use of secondary data; Sources of primary data; Questionnaire – contents, design, and administration; Pre-testing; Research interview – personal and telephone, interview problems; Principles of interviewing; Qualitative data collection – focus group, depth interview, participative method; Observation – participant and non-participant; Designing and conducting an observational study; Use of Internet for data collection; Factors affecting choice of data collection methods.

Unit 7: Data Analysis **LH 8**

Preparing and presenting data – editing, coding, classification and tabulating; Summarizing data – tables, graphs and charts; Statistical analysis – descriptive analysis, inferential analysis, parametric and non-parametric analysis; Analysis of qualitative data – content, thematic and narrative analysis.

Unit 8: Topic Selection and Research Proposal **LH 5**

Topic selection – sources, factors to be considered for topic selection; Purposes of research proposal; Types – solicited and unsolicited; Structuring the research proposal – contents and formats; Proposals for funded research; Criteria of evaluating the research proposal.

Unit 9: Research Report **LH 4**

Presentation of a research report; Types of report; Formats and components of research report – preliminaries, body of the report,

supplementary section; Styles of report writing; Styles and uses of citations and references.

Group "B": Statistical Methods

Unit 1: Probability **LH 10**

Concept and importance of probability. Types of events. Approaches to probability. Theorems of probability: conditional probability, Baye's theorem and mathematical expectation.

Unit 2: Theoretical Frequency Distribution **LH 5**

Concept of theoretical distribution: binomial, poisson and normal distribution. Fitting binomial and poisson distribution.

Unit 3: Sampling **LH 5**

Meaning and objective of sampling. Types of universe. Concept of sampling techniques and census method. Sampling distribution. Standard error and its utility in testing of hypothesis.

Unit 4: Estimation **LH 5**

Estimation and Estimators, criteria of good estimator. Types of estimates, point and interval estimate. Relationship among the errors, risk and the sample size. Estimation of sample size.

Unit 5: Testing of Hypothesis **LH 15**

Meaning of hypothesis. Types of errors in testing of hypothesis. Level of significance. Critical region. One tailed and two tailed tests. Parametric and non-parametric tests. Parametric test for variable and attribute. Large sample test. Test of significance of mean, proportion, difference of means and proportions. Small sample test: Student's-t-test – Test of significance of mean and difference of means, paired t-test, test of significance of an observed sample Correlation coefficient. Variance-ratio test: F-test. Analysis of variance: one way and two way classification. Non-parametric test: Chi-square test for goodness of fit and independence. Chi-square test for the population variance.

Unit 6: Correlation and Regression Analysis **LH 10**

Multiple and partial correlation. Coefficient of multiple determination, Multiple regression equation. Test of regression coefficient of Multiple

regression model. Standard error of estimate for multiple regression. Auto correlation: Durbin-Watson test statistic. Multicollinearity.

Basic References

Cooper, Donald R. and Schindler, P.S. (2003). ***Business Research Methods*** (8th Edition). New Delhi: Tata McGraw-Hill.

Kerlinger, F.N. (1978). ***Foundation of Behaviour Research***. New Delhi: Surjeet Publication.

Levin, R.I. and David S.R. (1991). ***Statistics for Management***. New Delhi: Prentice Hall of India.

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Supplementary Readings

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Saravanavel, P. (2001). ***Research Methodology***. Allahabad: Kitab Mahal.

Sauders, M., Lewis, P. and Thornhill, A. (2003). ***Research Methods for Business Students***. New Delhi: Pearson Education.

Sharma, P.K. and Chaudhary, A.K. (2064). ***Statistical Methods***. Kathmandu: Khanal Publication Pvt. Ltd.

Shrestha, S. and Silwal, D.P. (2063). ***Statistical Methods in Management***. Kathmandu: Taleju Prakashan.

Silwal, D.P. (2062). ***Research Methods in Management***. Kathmandu: Taleju Prakashan.

Sthapit, A.B., Gautam, H. Joshi, P.R. and Dongol, P. (2009). ***Statistical Methods***. Kathmandu: Buddha Academic Enterprises.

Yadav, R., Dhakal, B., Tamang, G., Panta, K. and Shrestha, H. (ND). ***Statistical Methods***. Kathmandu: Asmita Publishing House.

Production and Operations Management

Course Title: ***Production and Operations Management***
Course No.: MSC 502
Nature of the Course: Core *Full Marks: 100*
Duration of the Course: 100 lecture hours *Pass Marks: 40*
Duration of the Class: 60 minutes

Course Objectives

This course aims to enable the students to understand the important aspects of production mechanism of goods and services and develop the skill of applying operations research tools in production management systems.

Course Description

This course deals on production mechanism of goods and services and includes designing the products and choice of technology, facilities location and layout, production planning and control, inventory control, quality control, maintenance management, productivity management and the overview of new and automated technology to improve production competitiveness in manufacturing and service industries and also operations research tools like programming models, network models, decision making, queuing theory and simulation that are applied in production management system.

Course Contents

Unit 1: Introduction **LH 10**

Concept. Production function. Production vs Productivity. Production system. Evolution of production management. Strategic perspective of production management. Forecasting approach and model. Decision making under risk: Expected Monetary Value Criteria, Expected Opportunity Loss, Expected Value for Perfect Information, Marginal Analysis, Decision tree approach. Game Theory: Pure and mixed strategies, Two-person zero-sum games, Pure strategies (Minimax and Maximax Principles), Games with Saddle Point, Mixed Strategies: Games without Saddle point (Dominance rule).

Unit 2: Designing Products, Process and Services **LH 5**

New Products design. Product Development process. Manufacturing process technology. Design of service and service process.

Unit 3: Facility Location and Layout Planning **LH 20**

Capacity and location decision. Need for facility location planning. General procedure for facility location planning. Facility location models. Behavioural impact in facility location. Layout concept. Basic layouts: process layout, product layout, fixed position layout and combination layout, behavioural aspect in layout designing. Linear programming: Concept of linear programming. Structure and assumptions of a linear programming problem (LPP). General mathematical model of LPP. Guidelines on LP model formulation. Introduction to Simplex Method. Standard form of LPP. Simplex algorithm: maximization and minimization. Types of LPP solutions. Multiple, unbouded, infeasible, and degeneracy. Introduction and formulation of duality. Standard results on duality. Advantages of duality. Interpretation of dual values from primal solution and primal values from Dual solution. Transportation problems: Concept of transportation problem The transportation problem. LP formulation of the transportation problem. Methods for finding initial solution. Test for optimality. Variation in transportation problem: unbalanced problem, degeneracy, alternative optimal solutions. Maximization and minimization of transportation problem.

Assignment problems: Concept of assignment problem. Mathematical statement of the problem.
Solution methods of assignment problem both maximization and minimization.

Unit 4: Conversion Process **LH 5**

Job Design and its physical and behavioral dimensions. Work measurement.

Unit 5: Production Planning and Scheduling **LH 20**

Capacity planning concept. Aggregate planning process. Master production schedule and behavioural considerations. Intermittent system and scheduling process. Scheduling and control process. Loading. Priority sequencing, Scheduling for job-ship, batch and mass production. Network models: Introduction to networking, Basic differences between PERT and CPM. Steps of PERT and CPM techniques. PERT/CPM network components and precedence relationships, Probability in PERT analysis. Project time cost trade off. Shortest path. Maximum flow problems.

Unit 6: Inventory Control and Material Requirement Planning
LH 10

Concept. Inventory system. Inventory control procedure. EOQ. Deterministic inventory model with and without shortages. ABC inventory planning system. Material requirement planning: concept and elements. Manufacturing resource planning and implementation. Purchasing. Materials handling. Simulation model: Meaning, definitions and characteristics of simulation. Types of simulation and their models. Objectives of simulation. Advantages and disadvantages of simulation.

Unit 7: Managing for Quality **LH 10**

Concept. Quality control. Techniques of quality control. Approaches to quality improvement. Quality circle. Zero-defect program, Traditional and statistical quality control. Acceptance sampling. Control charts for variables and attributes (X, R, P).
ISO 9001:2000 Quality Management Systems, Producer's and consumer's risk, Operating Characteristic Curve.

Unit 8: Maintenance Management **LH 10**

Concept. Types of maintenance management. Choice of maintenance alternatives. Queuing theory: Meaning, definitions and objectives of queuing theory. Problems involving queuing theory. Queuing theory and its essential elements: arrival pattern, queuing discipline, customer behaviour, service mechanism, service discipline and pattern. Types of queuing system. Single channel system.

Unit 9: Productivity Management **LH 5**

Concept. Types and level of productivity. Factors affecting productivity. Productivity measurement and analysis. Introduction to productivity improvement techniques.

Unit 10: Improving Productivity, Quality and Competitiveness
LH 5

Overview of the Japanese management. Just in time. Participatory management. Total quality management. Production process change: resistance and remedy. KANBAN system. Kaizan System. Flexible manufacturing system dynamics. Cost Control.

Basic References

Adams, Evarett E. Jr. and Ronald, J.E. (1992). ***Production and Operations Management***. (5th Edition). New Delhi: Prentice Hall of India Ltd.

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Muhlemann, A., Oakland, J. and Lockyer, K. (1998). ***Production and Operations Management***. New Delhi: Macmilan India Ltd.

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Sharma, J.K. (1998). ***Operations Research Theory and Applications***. New Delhi: Macmilan India.

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Business Economics

Course Title: ***Business Economics***
Course No.: ECO 503
Nature of the Course: Core *Full Marks: 100*
Duration of the Course: 100 lecture hours *Pass Marks: 40*
Duration of the Class: 60 minutes

Course Objectives

This course aims to develop students' knowledge and skill in the tools and techniques of economic analysis applicable to managerial decision making and develop students' capacity to analyze the public policy environment in Nepal.

Course Description

This course is divided into two parts – Group A – Managerial Economics and Group B – Economic Policy Analysis. Managerial Economics course deals with introduction to managerial economics, theories of the firm, business and economic forecasting, production theory, pricing theories and practices and investment decision. Economic Policy Analysis course deals with the introduction to public policy analysis, role of government, macroeconomic concepts and policies, Nepalese economy, and public policies in Nepal.

Course Contents

Group "A" – Managerial Economics

Unit 1: Introduction to Managerial Economics **LH 6**

a) Meaning, feature and scope of managerial economics.

b) Survey of theories of the firm: Profit maximization; value maximization; sales maximization; theory of satisficing; Williamson's model of managerial discretion; Cyert and March's behavioral theory.

c) Nature and functions of profit: business versus economic profit, functions of profit.

Unit 2: Business and Economic Forecasting **LH 14**

a) Elasticity of demand: Computation of: price, income, cross and advertising elasticity and their uses in managerial decision making;

b) Concept and purpose of forecasting.

c) Steps in demand forecasting.

d) Forecasting techniques: survey techniques, market studies and experiment, time series analysis, regression analysis, barometric techniques, concept of input-output analysis.

e) Limitations of forecasting.

Unit 3: Production Theory **LH 9**

a) Production function.

b) Production with one variable input – optimal use of an input.

c) Production with two variable inputs – optimal combination of inputs.

d) Returns to scale.

e) Economics of scope.

Unit 4: Pricing Theory and Practices **LH 13**

a) Pricing under oligopoly: cartel / collusion arrangement, price leadership, kinked demand curve model.

b) Strategic behavior and game theory: meaning and importance, payoff matrix, Nash equilibrium, prisoner's dilemma.

c) Pricing practices: pricing under different objectives; cost-plus pricing; incremental cost pricing; multiple product pricing; transfer pricing, peak-load pricing, and two-part tariff.

Unit 5: Investment Decision **LH 8**

a) Meaning and factors influencing investment decisions.

b) Risk Analysis: Risk and uncertainty in managerial decision making, measuring risk with probability distribution, utility theory and risk aversion.

Group "B" – Economic Policy Analysis

Unit 1: Introduction to Public Policy Analysis **LH 4**

a) Meaning, characteristics and stages of public policy.
b) Theory of public choice.
c) Use of public policy in managerial decision making.

Unit 2: Role of Government in the Economy **LH 9**

a) Regulatory and promotional roles: Rationale for regulation and role in promoting private business.
b) Government response to market failure: Meaning, types and sources of market failure.
c) Regulatory response to structural failure:
(i) Public utility regulation, (ii) Regulation of monopoly, (iii) Antitrust policy
d) Regulatory response to incentive failure;
(i) Patent System, (ii) Subsidy, (iii) Operating controls (iv) Regulation of environmental pollution

Unit 3: Macroeconomic Concepts and Policies **LH 13**

a) Keynesianism versus monetarism.
b) Saving – investment theory.
c) Acceleration theory.
d) Super Multiplier.
e) National income: concept, measurement and difficulties.
f) Macroeconomic problems: Business cycle, Inflation (causes and effects).
g) Macroeconomic policy: Policy goals and policy tools (Monetary policy, Fiscal policy, Incomes policy).

Unit 4: Nepalese Economy **LH 14**

a) Overview of Nepalese economy.
b) Economic Planning: Need of planning, Review of planning in Nepal, Appraisal of current plan.
c) Economic liberalization and policy reforms.
d) Privatization and entrepreneurial freedom.
e) Globalization and its effects.
f) Foreign capital: Role, defects and situation in Nepal.
g) Government budget: components of budget, classification of expenditures of the government of Nepal, budgetary position of the government of Nepal.

Unit 5: Public Policies in Nepal **LH 10**

a) Commercial policy
b) Industrial policy
c) Foreign investment policy
d) Tourism policy
e) Agricultural policy
f) Environment policy
g) Privatization policy
h) Fiscal policy
i) Monetary policy
j) Employment policy.

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Organizational Behavior and Human Resource Management

Course Title: ***Organizational Behavior and Human Resource Management***

Course No.: MGT 504 *Full Marks: 100*

Nature of the course: Core *Pass Marks: 40*

Duration of the course: 100 Lecture hrs.

Duration of the class: 60 minutes

Course Objectives

This course aims to familiarize the students with individual and group behavior dynamics in the context of different organizations and social systems. It also provides the students with insights into the concepts, approaches, techniques and issues in managing the different dimensions of human resources of an organization.

Course Description

This course provides a basic framework for understanding the organizational behavior and includes organizational behavior concepts, individual behavior factors, group behavior analysis, leadership, communication, conflict management, and organizational change and development. The course also deals in the management of the human resources in the organization and includes development of human resource management, HRM system and environment, job design, human resource planning, recruitment and selection, human resource development system, employee training and management development, career planning, performance evaluation, compensation and labour relations.

Group "A" – Organizational Behavior

Course Contents

Unit 1: Introduction **LH 4**

Concept of Organizational Behavior (OB). OB system. Basic assumptions of OB. Levels of OB analysis. Contributing disciplines to the field of OB. Emerging trends in OB and Critical behavioral issues confronting the managers.

Unit 2: Understanding Individual Behavior **LH 3**

Behavior as an input-output system. Mental process; beliefs, attitudes, values, needs, motives and behavior .

Unit 3: Perception and Learning **LH 8**

a) Perception: Concept. Perceptual process. Factors affecting perception. Perceptual sets in organizational settings. Specific application of perception in organizations.

b)Learning: Concept. Factors influencing learning. Major models of learning (Classical conditioning, Operant conditioning, Cognitive theory and Social learning theory). Principles of Learning. Behavior Modification.

Unit 4: Personality **LH 5**

Concept. Personality traits and characteristics. Determinants of personality. Personality and behavior. Major personality attributes influencing OB. Matching personality with jobs.

Unit 5: Motivation and Job Satisfaction **LH 6**

Motivation: Concept and process. A brief review of motivation theories. Application of Motivation Theories: MBO, Employee involvement programs, Job redesign, Skill based pay plans, Flexible benefits. Issues in motivation. Job Satisfaction: Concept. Measuring job satisfaction. The effects of jobs satisfaction on employee performance, alienation and frustration.

Unit 6: Groups in Organizations **LH 6**

Concept. Reasons for group formation. Stages of groups development. Classification of groups. Nature and significance of informal groups. Work group behavior: group structure, group process and group task. Team work: Concept and types of teams. Quality circles. Group decision-making. Issues in managing work teams.

Unit 7: Leadership **LH 4**

a) Concept. A brief review of trait and behavioral theories.

b) Contingency theories (Fiedler's Contingency theory, Hersey-Blanchard's situational theory and Path-Goal theory). Emerging approaches to leadership. Contemporary issues in leadership.

Unit 8: Communication **LH 4**

Concept. Functions and process of communication. Types of communication. Barriers to effective communication. Methods of securing effective employee communication. Current issues in communication.

Unit 9: Conflict Management **LH 4**

Concept: Nature, types and sources of individual and group level conflict. Dynamics of intergroup conflict. Approaches to conflict management.

Unit 10: Organizational Change and Development **LH 6**

a) Organizational change: Concept. Forces of change. Resistance to change. Approaches to managing organizational change (Lewin's three-step model and action research).

b) Organizational Development: Concept. Characteristics of OD. OD values. Objectives and goals of OD. Pre-requisites to OD. OD process. OD interventions: Individual, group and organizational levels.

Group "B" – Human Resource Management

Unit 1: Human Resource Management **LH 4**

Concept of HRM. The rising interest of HRM. HRM system. Organizational outcomes of HRM system. Changing role of HR managers, HR challenges.

Unit 2: HRM Environment **LH 6**

Components of HRM environment, Internal environment, External environment: Physical, social, political, legal, technological and labour market; Ethical issues in HRM.

Unit 3: Job Design **LH 6**

Concept, and approaches of job design to individuals and groups. Impact of job design on motivation, productivity and QWL.

Unit 4: Human Resource Planning **LH 6**

Concept and approaches to HRP. HRP process. Role of information system in HRP. Relationship of HRP to strategic planning. Techniques

of forecasting human resource demand and supply. HRP practices in Nepalese organizations.

Unit 5: Recruitment and Selection **LH 6**

Concept. Development of recruitment policies. Recruitment methods, process and sources. Selection process. Recruitment and selection practices in Nepalese organizations.

Unit 6: Human Resource Development (HRD) System LH 3

Concept of HRD. Need of HRD. Principles in designing HRD. HRD mechanisms.

Unit 7: Employee Training and Management Development LH 6

Determining training needs. A systems approach to training. Issues and challenges of training. Employees Training: on-the-job and off-the-job. Management development: on-the-job and off-the-job development techniques for managers. Evaluation of training programs: methods and process. Employee Training and management development practice in Nepalese Organizations.

Unit 8: Career Planning **LH 3**

Concept. Objectives of career planning. Need for career planning. Individual career counseling and mentoring. Process of career planning and development.

Unit 9: Performance Evaluation **LH 3**

Concept. Development of PE program. Selection of performance evaluation criteria. Performance evaluation methods: Problems of performance evaluation. Feedback of evaluation. Evaluation interviews. Challenges to effective performance evaluation.

Unit 10: Compensation **LH 3**

An overview of pay system mechanism. Determinants of pay structure and level. Job evaluation methods. Pay for performance and incentive systems. Gain-sharing. Establishing pay plans. The legal environment and pay system governance in Nepal.

Unit 11: Labour Relations **LH 4**

Concept. Actors and process of LR. Unionism. Collective bargaining. Labour disputes: causes and settlement under Nepalese legislation. Contemporary issues in labour relations in Nepal.

Basic References

Arnold, H.J. and Fieldman, D.C. (1986). ***Organizational Behavior***. New York: McGraw Hill Book Company.

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Supplementary Readings

Acharya, B.S. (2009). ***Organizational Behaviour***. Kathmandu: Asmita Books Publishers and Distributors (P) Ltd.

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Verman, P. (1996). ***Emerging Issues in Human Resource Management***. New Delhi: Oxford and IBH.

Strategic Management and Business Environment

Course Title: ***Strategic Management and Business Environment***
Course No.: MGT 505 *Full Marks : 100*
Nature of the course: Core *Pass Marks: 40*
Duration of the course: 100 Lecture hrs.
Duration of the class: 60 minutes

Course Objectives

The basic objective of this course is to familiarize the students with the fundamentals of strategic management and how the knowledge of this integrated course will enhance the competitiveness and competitive advantage of Nepalese organizations. More specifically, the students become more aware of the opportunities around their personal and organizational life and learn how to integrate their resources and competencies to relate to these opportunities and to mitigate impending threats. The course also aims to provide the students with broad perspective of business environment in Nepal, Asia, and the world.

Course Description

This is a core course dealing in strategic management that includes components of strategic management, external environment analysis, internal environment analysis, strategic options, strategy evaluation and choice, and strategy implementation. This course also deals on the concepts of business environment, social responsibility of business, and an overview of the Nepalese, Asian, and global business environment.

Group "A" – Strategic Management

Course Contents

Unit 1: Introduction to Strategic Management **LH 10**

Evolution of strategic management. Characteristics of strategic decisions. Minzberg's modes of strategic decision-making. Components of strategic management: strategic planning, strategy implementation and strategic control. Importance of strategic

management in Nepal. Strategic plan: mission, objectives, strategies. Levels of objectives and strategies. Role of chief executive officer (CEO) in strategic management.

Unit 2: External Environment Analysis **LH 8**

Nature of environment. Remote and operating environment. Process of environment scanning. Techniques of environment analysis: PESTEL analysis (political, economic, social-cultural, technological, environmental, and legal analysis); Scenario planning; Proter's five forces model; Environment threat and opportunity profile (ETOP).

Unit 3: Internal Environment Analysis **LH 8**

Corporate resources analysis for strengths and weaknesses: marketing, human resource, production/operation, finance and accounting. Process of corporate appraisal. Concept of available resources, threshold resources, unique resources, core competencies, and strategic advantage. Techniques of internal analysis; value chain analysis (cost efficiency, product features); comparative analysis: historical comparison, industry standards, benchmarking; robustness; strategic advantage profile (SAP).

Unit 4: Strategic Options **LH 10**

Generating alternative strategies using SWOT analysis (strengths, weaknesses, opportunities, threats). Corporate strategies; stability, growth (related and unrelated diversification), retrenchment. Business strategies: Porter's competitive strategy: strategy clock (low price, differentiation, hybrid, focused differentiation, and failure strategies). Sustaining competitive advantage. Cooperative and collaborative strategies. Directions for strategy development: consolidation, market penetration, product development, market development and diversification. Methods of strategy development: internal development, mergers and acquisitions, joint development and strategic alliances.

Unit 5: Strategy Evaluation and Choice **LH 6**

Evaluation criteria: suitability, acceptability (return, risk and stakeholder reaction), and feasibility. Portfolio analysis for strategic choice: BCG growth-share matrix, GE business screen, Hofer's product-market evolution matrix. Choice of functional strategy and policies.

Unit 6: Strategy Implementation and Control **LH 8**

Process of strategy implementation. Operationalizing the strategy: Annual objectives, functional strategies, concise business policies, development of programs, budgets, and procedures. Organization structures for strategy implementation: simple, functional, multi-divisional, SBU, holding company, project based, matrix, team-based, network/virtual structure and structure for multinational companies. Centralization vs. devolution. Boundaries. Configuration. Managing strategic change: diagnosing the change situation, change management, levels for managing strategic change. Strategic control: evaluation and control, measuring performance, appropriate measures. Types of control.

Group "B" – Business Environment

Unit 1: Introduction **LH 5**

Concept and characteristics of business environment, Importance of business environment, components of internal and external environment.

Unit 2: Social Responsibility of Business **LH 5**

Concept, strategy and approaches of social responsibility corporate accountability, social audit: concept, features, and models. Sustainable enterprises, consumerism.

Unit 3: Nepalese Business Environment **LH 20**

Political-Legal Environment: Political system (constitution, political parties, political institutions, legislative, executive and judiciary), Government-business relations.

Concept of business legislation, classification of business legislation in Nepal. General business legislation, Labour related legislation, Consumer protection legislation, Finance and investment related legislation.

Economic Environment: Components of economic environment: Economic system, economic policies, structure of the economy (agriculture, industry and service sectors), economic reforms.

Socio-cultural Environment: Components of socio-cultural environment (demographic, religion, language, education, attitudes and beliefs) Basic social structure (family, reference groups, social class) Impact of socio-cultural values on business.

Technological Environment: Concept, level of technology, technology transfer, status of technology in Nepalese industrial sector, science and technology policy, information technology in Nepal.

Unit 4: Asian Business Environment **LH 10**

Structure, growth, market size, and market potential of SAARC countries, SAFTA; its impact in the South Asian Regional Trade and Joint ventures, BIMSTEC: Roles, objectives and functions. The economic dynamics of India and China and impact on Nepal's business sector.

Unit 5: Global Business Environment **LH 10**

Nature of globalization, forms of globalization, impact of globalization; multinational companies: roles of multinational companies, problems associated with multinational companies; Foreign Direct Investment: Contribution of foreign direct investment in Nepalese economy, current scenario of foreign direct investment and reasons for poor inflow of foreign direct investment in Nepal. World Trade Organization: Principles and functions, impact of WTO on Nepalese Economy.

Basic References

Jaunch, L., Gupta, R. and Glueck, W. (2004). ***Business Policy and Strategic Management***. New Delhi: Frank Bros. and Co. Ltd.

Johansson, G. and Kevan, S. (2005). ***Exploring Corporate Strategy: Text and Cases*** (6th edition). New Delhi: Pearson Education Limited.

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Supplementary Readings

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Entrepreneurship Development

Course Title: ***Entrepreneurship Development***
Course No.: MGT 506 *Full Marks: 50*
Nature of the course: Core *Pass Marks: 20*
Duration of the course: 50 Lecture hrs.
Duration of the class: 60 minutes

Course Objectives

The purpose of the course is to prepare students for the possibility of starting their own entrepreneurial ventures. The course emphasizes on improving the skills of the students to identify venture opportunities and prepare a business plan.

Course Description

The course introduces students to the process of entrepreneurship and the role of the entrepreneur in initiating and developing new ventures. As a part of the course, students will prepare a comprehensive business plan for starting or acquiring a business.

Course Contents

Unit 1: Overview of Entrepreneurship **LH 6**

Concept, features, functions and types of entrepreneur. Role of entrepreneurship in economic development. Women entrepreneurship: concept and problems. Emerging trend in entrepreneurship: The Internet and E-commerce entrepreneurship. Factors affecting entrepreneurship growth: Economic factors and non-economic factors.

Unit 2: Approaches to Entrepreneurship **LH 3**

Overview of Entrepreneurial thoughts: Environmental, financial / capital, displacement, entrepreneurial trait, venture opportunity.

Process Approaches: An integrative approach, entrepreneurial assessment approach, multidimensional approach.

Unit 3: Developing Creativity and Understanding InnovationLH 4

Concept of creativity, creative process: Knowledge accumulation, the incubation, the idea experience, evaluation and implementation.

Developing creativity: Recognizing relationship, developing functional perspective using brains, eliminating muddling mind-sets.

Innovation: Concept, Types of innovation: Invention, extrusion, duplication, synthesis.

Source of innovation: Unexpected occurrences, incongruities, process needs, industry and market changes, demographic changes, perceptual changes. Knowledge-based concept.

Unit 4: Entrepreneurial Risk and Stress LH 4

Concept of risk, Types of risk: Financial, career, family and social, psychic.

Concept of stress. Sources of stress: loneliness, immersion in business, people problems, needs to achieve.

Dealing with stress: Networking, getting away from it all, communicating with employees, finding satisfaction outside the company, delegating.

Unit 5: Legal Environment for the Entrepreneurship LH 4

Legal provisions for establishment of a new venture. Steps, Factors, Registration of intellectual property right: (patents, trademarks, copyright, trade secrets), licensing, product safety and liability. Insurance and contracts.

Unit 6: New Venture Identification and Selection LH 15

Business opportunity identification: Sources and methods of generating new ideas. Selection of best idea.

Feasibility studies: Site selection, factors affecting site selection. Business description: background, purpose and objectives. Marketing component: Overall market. Specific market. Competitive factors. macro environment influence (structural change and cyclical change). Marketing strategy and sales forecasts. Financial component: Start-up costs, financial requirements. Sources of funds. Projected profit and loss statement. Projected cash flow statement and analysis and projected balance sheet. Development and Production: Production Process and technology. Resource requirement and quality assurance. Organization and Management: Key personnel resources, human resource management strategy. Forms of Ownership: Forms of business, equity position and deal structure. Critical risk and contingencies.

Unit 7: Preparation of Business Plan LH 10

Concept and benefits of the business plan. Elements of business plan. Preparation of the business plan. Scheme and strategy of venture launching. Internal Profile Analysis: Concept. Identification, selection of variables and their analysis. Practical exercise.

Unit 8: Institutional Support to Entrepreneurship Development LH 4

Need for institutional support. Institutional support to entrepreneurs in Nepal: The government agencies. Specialized agencies. Consultancy services, institutional finance, marketing services. Industrial Estates. Introduction to entrepreneurship development projects (MEDEP, ELAM).

Basic References

Dollinger. M.J. (2003). ***Entrepreneurship: Strategies and Resources***. New Delhi: Pearson Education.

Hisrich, R.D., Peters, M.P. and Shepherd, D.A. (2007). ***Entrepreneurship***. New Delhi: Tata McGraw Hill, Publishing Company.

Khanka, S.S. (1999). ***Entrepreneurship Development***. New Delhi: S. Chand and Company Ltd.

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Agrawal, G.R. (2006). ***Entrepreneurship Development in Nepal***. Kathmandu: M.K. Publishers.

Kuratko, D.F. and Hodgetts, R.M. (2005). ***Entrepreneurship: Theory, Process and Practice***. Singapore: Thomson Asia Pte. Ltd.

Kuratko, D.F. and Welscer, H.P. (2001). ***Strategic Entrepreneurial Growth***. Philadelphia: Harcourt College Publishers.

Management Accounting

Course Title: ***Management Accounting***
Course No: ACC 507 *Full Marks: 50*
Nature of Course: Core *Pass Marks: 20*
Duration of Course: 50 Lecture Hours
Duration of the Class: 60 minutes

Course Objectives

The course aims to provide in-depth knowledge of concept and tools of management accounting, and encourage in applying management accounting tools and techniques in planning, controlling, forecasting and decision making process and analyzing for appraising the performances.

Course Description

The course helps to understand the concept and tools of management accounting and controllership functions; measuring income under different techniques for planning, controlling and decision making and evaluate the performance of the organization. The course includes cost allocation and income measurement techniques, CVP analysis, decision regarding alternative choices and pricing the products and services of the business enterprises, planning profit through budget and performance appraisal using different management accounting tools.

Course Contents

Unit 1: Management Accounting Concept **LH 2**

Concepts and objectives of management and Controllership function and responsibility.

Unit 2: Cost Allocation and Reporting **LH 5**

Cost: concept, accumulation, classifications, estimation, segregation by two point method and regression analysis and determination and coefficient of determinates, allocation, apportionment and reapportionment of service department cost using step down and reciprocal techniques, and Cost reporting under Traditional Costing & Activity Based Costing (ABC) technique (recap), and Income measurement under variable costing and absorption costing technique

and reconciliation of income between variable costing and absorption costing technique (recap).

Unit 3: Cost Volume Profit Analysis **LH 5**

Concepts; objectives of CVP analysis and application of CVP analysis for- break even analysis and its sensitivity analysis (recap), and profit planning under multi-products concept; CVP analysis under constrain using graphical and linear programming models for maximizing profit and minimizing cost in single and multiple products condition, CVP analysis under the condition of uncertainty

Unit 4: Decision Regarding Alternative Choices **LH 7**

Concepts, need and objectives of decision regarding alternative choices, Decision regarding Make or buy; Drop or continue: Product line and Service department; Sales mix, scarce resource allocation, accept or reject a special offer; Equipments replacement; processing a joint products and lease or purchase.

Unit 5: Pricing Decision **LH 5**

Concepts and objectives of pricing; types of pricing:
Full cost & variable cost pricing technique; Target ROI pricing technique; ABC pricing technique; Target cost pricing technique, Internal pricing in decentralized organization - need and objectives; Transfer pricing for decentralized origination: buy-in and buy-out decision.

Unit 6: Planning and Control System **LH 6**

Concepts, need, importance and objectives of budgeting; budgeting for profit planning:

Presentations of Functional budgets (recap), and Master budget; Standard cost and control for direct material and direct labour under the condition of certainty and uncertainty, flexible budget and overhead cost control (recap) and Responsibility accounting.

Unit 7: Investment Analysis **LH 10**

Concept, need and objectives of capital budgeting; Measurement of profitability and capital investment decision under certainty (recap), risk and uncertainty using (a) Sensitivity analysis-range of discount rate and range of cash flows (b) Standard deviation, coefficient of variation, probability distribution approach, decision tree; foreign

investment evaluation considering inflation and cost of capital as discounting factor and foreign currency transaction

Unit 8: Measuring Organizational Performance LH 10

Concept, objectives, need & importance of performance appraisals; Tools for performance measurements:

(a) Analysis and interpretation of ratios for measuring productivity, profitability, activity, stability and possibility, ratios use to appraise the investment worthiness by prospective lenders and investors,

(b) Measurement and interpretation of return on investment and residual income,

(c) Interpretation of cash-flow analysis based on cash flow statement, and

(d) Interpretation of value added analysis based on value added statement

Basic References

Drury, C. (1992). ***Management and Cost Accounting*** (3rd Edition). London: ELBS.

Hilton, R.W. (1991). ***Managerial Accounting*** International Edition. New York: McGraw-Hill, Inc.

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Supplementary Readings

Bajracharya, P. and others. (2000). ***Managerial Accounting Nepalese Perspective*** Vol I & II. Kathmandu: Asmita Books Publisher and Distributors.

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Garrison and Noreen. (1997). ***Management Accounting*** (8th Edition). USA: Irwin.

Lucey, T. (1988). ***Management Accounting*** (2nd Edition). London: DP Publications Ltd.

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Managerial Finance

Course Title: ***Managerial Finance***
Course No: FIN 508 *Full Marks: 50*
Nature of the Course: Core *Pass Marks: 20*
Duration of the Course: 50 Lecture hours
Duration of the Class: 60 minutes

Course Objectives

The course aims to provide the students with an understanding of the principles of financial management together with knowledge of the analytical techniques for developing skills in their application required for making financial decisions.

Course Description

This course provide an overview of managerial finance with a special emphasis on nature of finance, financial analysis, cost of capital and financial structure, capital budgeting, working capital management, dividend policy, and bankruptcy, and financial distress.

Course Contents

Unit 1: Nature of Finance **LH 4**

Nature of managerial finance; Career in finance; The goals of corporation: Stock price maximization and social welfare, Management action to maximize shareholders' wealth, Business ethics and social responsibility; Agency relationship: Stockholders vs Managers, Stockholders vs Creditors; Managerial accountability to shareholders in public limited companies in Nepal.

Unit 2: Analysis of Financial Statement **LH 6**

Nature and need of financial analysis; Types of ratios; Trend analysis, common size and percentage change analysis; Du-Pont system of financial analysis; Comparative ratios and 'Benchmarking'; Uses and limitation of ratio analysis; qualitative factors in financial performance evaluation; Application of financial ratios in public limited companies in Nepal.

Unit 3: Cost of Capital and Financial Structure **LH 10**

Cost of capital and its significance; Component cost of capital; Weighted average cost of capital; Capital structure and cost of capital; Factors affecting the weighted average cost of capital; Adjusting cost

of capital for risk; Estimating project risk and risk adjusted cost of capital; Divisional Cost of capital : Cost of capital for a project or a division; Marginal cost of capital; Breaks in marginal cost of capital schedule; Combining the MCC and investment opportunity schedule; Measuring cost of capital in public limited companies in Nepal. Financial leverage; Financial leverage and risk; Financial leverage and equity risk; Financial leverage and ROE; Leverage and operating leverage; Investment and leverage; Factors affecting financial structure.

Unit 4: Capital Budgeting **LH 10**

Importance; Generating ideas for capital project; Project classification; Estimating cash flows; Capital budgeting decision rules- PB, DPB, NPV, IRR, MIRR and PI; The basic replacement decision; Expansion projects; Comparison of NPV and IRR methods; Modified internal rate of return; Profitability index; Special application of cash flow evaluation- Projects with different lives; Adjusting for inflation; The optimal capital budget; Business practice and implication in Nepal.

Unit 5: Working Capital Management **LH 6**

Working capital terminology; Alternate current assets investment and financing policies; Risk and return trade off; Cash conversion cycle; The concept of zero working capital; Cash Management: Concepts and techniques, Cash conversion cycle; Inventory management: Inventory costs and Inventory control systems; Receivable management: Accumulation of receivable: Monitoring receivable position, Setting the elements of credit policy, Other factors influencing credit policy.

Unit 6: Dividend Policy **LH 6**

Nature of dividend policy decision; Dividend vs capital gains; Dividend policy issues; Factors influencing dividend policy, Stock dividend; Stock splits; Stock repurchase; Dividend payment procedure and establishing dividend policy practice in public limited companies in Nepal.

Unit 7: Financial Distress **LH 8**

Financial distress and its consequences; Issues facing a firm in financial distress, Settlements without going through formal bankruptcy; predicting bankruptcy: Altman model Reorganization in

bankruptcy; Liquidation in bankruptcy; causes for bankruptcy; growing emphasis on merger and acquisition movement in Nepal.

Basic References

Brigham, E.F. and Ehrhardt, M.C. (2007). ***Financial Management: Theory and Practice***. New Jersey: Thomson South-Western.

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Levy, H. and Marshall, S. (1989). ***Principles of Financial Management***. New Jersey: Prentice Hall Inc.

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Paudel, R.B., Baral, K.J., and others. (2008). ***Corporate Financial Management***. Kathmandu: Asmita Publication.

Pradhan, R.S. (1992). ***Financial Management Practices in Nepal***. New Delhi: Vikash Publishing House Pvt. Ltd.

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Shrestha, M.K. (2005). ***Readings in Financial Management***. Kathmandu: Buddha Academic Enterprise.

Weston, J.F., Chung, K.S. and Hong, S.E. (1998). ***Mergers, Restructuring and Corporate Control***. New Delhi: Prentice Hall of India Pvt. Ltd.

Weston, J.F. and Thomas E.C. (1992). ***Managerial Finance***. New York: The Dryden Press.

Marketing Management

Course Title: ***Marketing Management***
Course No.: MKT 509
Nature of the course: Core *Full Marks: 50*
Duration of the course: 50 Lecture hours *Pass Marks: 20*
Duration of the class: 60 minutes

Course Objectives

The objective of the course is to equip students with knowledge and skills in order to take decisions in the area of marketing management.

Course Description

This course deals on the management aspects of marketing. It includes a study of the marketing system and organization, environment and segment analysis, information systems, demand analysis, buyer analysis and competitor analysis, strategic marketing planning, implementation of marketing program and marketing control.

Course Contents

Unit 1: Introduction **LH 5**

Conceptual development, Marketing in the era of globalization, Trend and tasks of marketing, Holistic marketing concept and customer value, Value and satisfaction, Value chain and value-delivery network, Cost of lost customers, Customer retention and customer relationship management, Customer profitability and total quality management.

Unit 2: Identifying and Selecting Markets **LH 8**

Consumer markets in Nepal, Operating environment, Environmental scanning, Segmentation variables for consumer and business markets, Evaluation and selecting of markets, Consumer analysis, Consumer buying decision process, Factors affecting consumer buying decision, Organizational buying process, Factors affecting organizational buying decisions.

Unit 3: Information Gathering and Measuring Market Demand **LH 8**

Concept and components of a marketing information system, internal record system, market intelligence system. Marketing research system

and decision support system, Trends in marketing information, technology. Measures of market demand. Methods of estimating current and future market demands.

Unit 4: Managing Market Opportunities **LH 9**

Understanding market opportunities. Analysing market opportunities, market opportunity analysis process, sources of information, defining product markets, profiling generic class and product type markets, market size estimation, evaluating market opportunities, developing marketing strategy, nature of planning, planning concepts, contents of marketing plans, strategic planning process (analyse the situation, develop mission statement and objectives, determine composition of business, strategic analysis of business unit and application of portfolio models for strategic marketing analysis such as SBU model, BCG model, GE model and portfolio models, select business unit objectives and strategies, prepare business unit strategic planning – business mission, SWOT analysis, goal formulation, strategy formulation, program formulation). Marketing program planning.

Unit 5: Competitors Analysis **LH 6**

Concepts of competition. Building competitor related strategies, identifying competitors, strategies and objectives, assessing competitors' strengths and weaknesses, estimating reaction patterns, designing the intelligence system, selecting competitors to attack and avoid and balancing customer and competitor orientations.

Unit 6: Implementation of Marketing Program **LH 9**

Product development, differentiation and positioning strategies. Designing product support services, managing marketing strategies in the stages of product lifecycle, selecting the pricing objective and pricing methods and pricing strategy. Channel and logistics management decisions and strategies, selecting the promotion mix, and promotional strategies, trends in marketing practices.

Unit 7: Marketing Control **LH 5**

Feedback and control in marketing, types of marketing control, annual plan control, profitability control, efficiency control and strategic control.

Basic References

Aaker, D. (1984). ***Strategic Marketing Management***. New York: John Wiley and Sons.

Kotler, P. (2001). ***Marketing Management: Analysis, Planning and Control***. New Delhi: Prentice Hall.

Kotler, P., Keller, K.L., Koshy, A. and Jha, M. (2009). ***Marketing Management: South Asian Perspective*** (13th Edition). New Delhi: Pearson Education, Prentice Hall.

Supplementary Readings

Agrawal, G.R. (2000). ***Marketing Management in Nepal***. Kathmandu: MK Publishers and Distributors.

Cravens, D.W., Piercy N. and Piercy N.F. (2005). ***Strategic Marketing***. Irwin Professional Pub.

Foxall, G.R. (1992). ***Strategic Marketing Management***.. London: Croom Helen and John Wiley and Sons.

Guiltinan, J.P. (1996). ***Marketing Management: Strategies and Programs***. Irwin: McGraw Hill.

Koirala, K.D. (2057). ***Marketing Management***. Kathmandu: MK Publishers and Distributors.

Ramaswamy, V.S. and Namakumari, S. (1997). ***Marketing Management: Planning Implementation and Control***. New Delhi: Macmillian India Limited.

Sharma, G.R. (2008). ***Marketing Management: Strategic Decision Perspective***. Kathmandu: Bhundipuran Prakashan.

Shrestha, S.K. (2008). ***Marketing Strategy and Management***. Kathmandu: Asmita Books Publishers and Distributors.

Management Information System

Course Title: ***Management Information System***
Course No.: MSC 603
Nature of the Course: Specialization
Duration of the Course: 100 lecture hours *Full Marks: 100*
Duration of the Class: 60 minutes *Pass Marks: 40*

Course Objectives

This course aims to enhance the knowledge of decision maker and develop student's skill in analyzing and designing of the information system in an organization by using emergent tools and technique available in the field on information technology.

Course Description

The course deals with the information system analysis and design in the context of organization, strategic management and decision making. It is computer based course that includes designing and developing MIS.

Course Contents

Unit 1: Introduction **LH 10**

Organization, types of organizations. Functions of manager, role of manager, levels of management. Manager and environment. Management as control, system view of organization, components of system, types of decisions, definition of MIS, MIS on functional area. Conceptual and Architectural framework of MIS. Role of MIS in management. Limitations and use of MIS. Strategic MIS. IT implementation plan on the organization. Impact of MIS on decision making.

Unit 2: Information System **LH 10**

Data, information, types of information, characteristics of information, information system components, information technology, data processing, data processing cycle, information processing, types of processing (online, batch, real time, centralized, distributed), value of information on decision making, impact of information on organization and organization on information system, methods of information collection, information filtering, types of information system, operational information system (TPS, OLTPS, OAS), tactical information system (MIS, DSS, AL, ES).

Unit 3: Database Management System **LH 10**

File processing system. Limitations of flat file system. Database approach, DBF and DBMS. Objective of DBMS. Role of DBMS in MIS. Merits and demerits of DBMS. Data models, DBMS components (DDS, DDL, DML). Overview of SQL, DBMS environment, ERD, ERD examples, RDBMS. Normalization, its use on database design, centralized and client server architecture (tier system).

Unit 4: Computer Networking **LH 10**

Centralized and distributes processing, definition, requirement, of networking, types of networking: (client server, peer to peer, LAN, MAN, WAN). Communication media (Wired and wireless) Topology,

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OSI layer, protocols and their role on networking, role of network in MIS and business, some devices: MoDem, Router, Gateway, Wi-Fi technology, ADSL, DSL etc.

Unit 5: System Analysis and Design **LH 20**

System, types of system, system development tools and techniques, system development methods (Structured and OO Methods), SDLC, feasibility study, system analysis. System design: input design, file design, output design, system development, system testing: modular, unit, integrated and user acceptance. Implementation: pre-implementation, change over and post implementations. Limitation of SDLC, documentations, role and characteristics of system analyst, SDLC models (Water fall and Spiral model). Prototyping. Evolutionary model, RAD, JAD, DFD (Context Level, Zero Level, One Level). Flow chart. System run chart. CRC Chart.

Unit 6: Application of MIS **LH 10**

Application on various levels of management, accounting information system, manufacturing information system, financial information system, marketing information system, R & D information system, HRM information system, quality control information system, enterprises management information system, geographical information system.

Unit 7: Enterprises Resource Planning **LH 10**

Introduction, conceptual and architecture framework of ERP. Benefits and limitation of BPR, characteristics of BPR, advantages and limitations of BPR. Supply chain management, architecture of SCM, application of SCM. Customer relationship management, architecture of CRM, application of CRM.

Unit 8: E-commerce **LH 5**

Internet, intranet, extranet, business application of internet. Internet protocol suite, ecommerce, advantages and limitation of ecommerce, e-business, components of ecommerce, business models (B2B, B2C, C2B). E-governance, electronic payment system in Nepal, overview of online banking and servicing.

Unit 9: Ethical Issues and IT laws **LH 5**

Ethics, social issues, individual issue, political issue, five moral dimensions of ethics: accountability, information rights and obligation,

quality of system, quality of life and intellectual property rights, computer crimes, IT laws, IT policy 2000 Nepal. MIS security issues and process.

Unit 10: Application Toolkits (Lab) **LH 10**

MIS development tutorials with reference to VB and MS- access, demonstration of networking system. Ecommerce sites, e-payment system, real case analysis of online banking and services etc.

Basic References

Jawadkar, W.S. (2002). ***Management Information Systems***. New Delhi: Tata McGraw Hill.

Lucas, H.C. Jr. (2000). ***Information System Concepts for Management***. New Delhi: McGraw Hill Inc.

Supplementary Readings

Adhikary, S.N. (2008). ***Introduction to Management Information System***. Kathmandu: Buddha Publication.

Goyal, D.P. (2000). ***Management Information System: Managerial Perspectives***. New Delhi: Macmillan India Ltd.

Tierauf, R.J. (1982). ***Decision Making System for Effective Planning and Control***. New Delhi: Prentice Hall Inc.

Decision Support System

Course Title: ***Decision Support System***
Course No.: MSC 604
Nature of the Course: Specialization
Duration of the Course: 100 lecture hours *Full Marks: 100*
Duration of the Class: 60 minutes *Pass Marks: 40*

Course Objectives

This course aims to provide to develop students understanding on the system design for decision making in an organization and provide skills in applying the decision support system model in short and long range planning.

Course Description

The course includes the relationship between MIS and DSS, feasibility and implementation of DSS, effective strategic planning, management and operational control of DSS and redesign of work of effective planning and control of DSS.

Course Contents

Unit 1: Introduction **LH 10**

Managers and Decision making. Information system and managerial decision making. Managers and computerized support. Decision making or modeling process: intelligence phase, design phase, and choices phase, a framework for decision support system. The concept of DSS. DSS components: Data management system, model management and interface management system on DSS architecture. Types of DSS, characteristics and capabilities of DSS, role of DSS.

Unit 2: Modeling and analysis **LH 15**

Approaches to decision making process through DSS. Mathematical and statistical model, behavioral model. Modeling for managerial support system (MSS), static and dynamic model, influence diagram, modeling with spreadsheet. Decision analysis of few alternatives (Decision tree and decision table). Optimization via mathematical programming: linear programming, Heuristic programming, simulation. Multidimensional modeling: OLAP model based management (MBMS).

Unit 3: Developing DSS **LH 15**

Key factors of successful DSS. Introduction of DSS development. Traditional system development life cycle, CASE Tools, Prototyping, DSS technology levels and tools. Development platform, development tools selection. Group decision support system: Introduction, design and implementation.

Unit 4: Enterprise DSS **LH 10**

DSS for Corporate planning and control, DSS on functional areas, concept of enterprise system, executive support system, characteristics and role of executive support system, comparing and integrating executive support system and DSS. Data warehouse, data mining, OLAP, supply chain and value chain on DSS. Supply chain problems and solutions, ERP, benefits of ERP. Components of ERP.

Unit 5: Knowledge Management System **LH 15**

Introduction to knowledge management system, organizational learning and organizational memory, cyclic model for knowledge management, knowledge management development, knowledge management tools and technology, success and failure of knowledge management concepts of AI. Components of AI. Fields of AI. Expert system, structure of expert system, human element on ES, benefits of ES. Problems and limitations of ES, types of expert system, Development of ES and AI system.

Unit 6: Neural Computing and Fuzzy logic **LH 10**

Machine learning, Neural computing. The biological analogy, neural network application development. Neural network architecture. Neural network hardware and software, benefits and limitation of neural network. Neural network and Expert system. Neural network for DSS. Concept of Fuzzy logic, use of fuzzy logic.

Unit 7: Business Process Re-engineering and Workflow Management **LH 5**

Concept of BPR. Re-engineering, barriers, advantages, concept of change management. Ecommerce and use of IT on business. Overview of work-flow management, role of IT on workflow management, BPR and workflow management, DSS and BPR.

Unit 8: Application Toolkits (Lab) **LH 20**

Some spreadsheet application like pivot table, goal seek, Downloadable Neural network toolkits, VB application on MS-Access, Java kits etc.

Basic References

Thierauf, R.J. (1982). ***Decision Making System for effective planning and control.*** New Delhi: Prentice Hall Inc.

Turban, E. and Aronson, E.J. (2000). ***Decision Support System and Intelligent Systems.*** New Delhi: Pearson Education Asia.

Supplementary Readings

Adhikary, S.N. (2008). ***Introduction to Management Information System.*** Kathmandu: Buddha Publication.

Jawadkar, W.S. (2002). ***Management Information Systems.*** New Delhi: Tata McGraw Hill.

Productivity Management

Course Title: ***Productivity Management***
Course No.: MSC 605
Nature of the Course: Specialization *Full Marks: 100*
Duration of the Course: 100 lecture hours *Pass Marks: 40*
Duration of the Class: 60 minutes

Course Objectives

This course aims to provide the students with the knowledge and understanding of productivity management and developing their knowledge and skills on using approaches, tools and techniques of productivity management, particularly in the context of Nepal.

Course Description

The course deals on traditional and modern productivity concepts, productivity improvement factors, productivity measurement and analysis, productivity evaluation and planning, productivity improvement tools and techniques in the context of production and service organizations of Nepal.

Course Contents

Unit 1: Introduction **LH 15**

Concepts: traditional and holistic. Green productivity. Productivity, quality and competitiveness-nexus.

Types and levels of productivity.
Productivity improvement factors: internal and external factors. Productivity cycle.

Unit 2: Productivity Measurement and Analysis **LH 20**

Productivity measurement at macro and micro-levels: international level, national level, industry group level, organization level, unit level and individual level.

Types of Productivity measurement and analysis at organizational level and their relationships and limitations: Total Productivity measurement; Total Factor Productivity Measurement; Partial Productivity Measurement.

Approaches to productivity measurement and analysis: index approach, quick productivity appraisal approach, production function approach, financial ratio approach, input and output approach, value added measurement approach, inter-firm comparison approach and bench marking approach.

Unit 3: Productivity Evaluation and Planning, and Productivity Improvement Planning **LH 20**

Evaluation of productivity: Between successive time period and within a given time period.

Productivity planning: Importance of productivity planning, short-term versus long-term, and responsibility for productivity planning.

Planning and implementation of productivity plans and programmes in an organization: General considerations, productivity improvement programmes and approaches.

Unit 4: Productivity Improvement Techniques **LH 25**

Causes of productivity decline and productivity improvement needs.

Productivity improvement techniques: technology and process technology based, material and input based (inventory control, material requirement planning, quality control, materials handling, materials reuse and recycling, energy efficiency, and others), human resources based (effective human resources management, learning curve and others), product based (value analysis, product diversification, simplification, standardization, research and development and others), organization based (organization development, business process reengineering, appreciative inquiry, six sigma, balance score card, total quality management and others).

Unit 5: Productivity Organizations, Productivity Comparison and Productivity Movement in Nepal and Nepalese Organizations **LH 20**

Productivity organizations: International, regional and national organizations.

Productivity comparison: International, regional and national productivity levels, and analysis of causes for difference in increase in productivity, and future prospects for productivity improvement.

Productivity movement in Nepal: National efforts in productivity drive, and development of national productivity organization, role and functions of national productivity organization.

Productivity in Nepalese manufacturing and service organizations: Present productivity status and approaches for productivity promotion and enhancement in Nepalese organizations, issues, problems and prospects of productivity enhancement in Nepalese organizations.

Basic References

Asian Productivity Organization. Related Publications.
Prokopenko, J. (1999). ***Productivity Management – A Practical Handbook***. New Delhi: Oxford & IBH Publishing Co. Pvt. Ltd.
Prokopenko, J. and North, K. (1996). ***Productivity and Quality Management***. ILO.
Sumantha, D.J. (1990). ***Productivity Engineering and Management***. New Delhi: Tata McGraw-Hill Publication Co. Ltd.

Supplementary Readings

Asian Productivity Organization. (2008). ***APO Productivity Databooks***. Tokyo: Asian Productivity Organization Publication.
Belcher, J.G. (1987). ***Productivity Plus***. Texas: Gulf Publishing Company.
Chirstopher, William F., Thor, Carl G. (eds.). (1993). ***Handbook on Productivity Measurement and Improvement***. Portland: Oregon, Productivity Press.
Hammer, M., Champy, J. (1999). ***Reengineering the Corporation: A Manifesto for Business Revolution***. London: Nicholas Brealey Publishing.
Pant, D., Bajracharya, P. and Pradhan, M. (1999). ***Current Issue on Productivity***. Kathmandu: National Productivity & Economic Development Centre.
Shimizu, M., Wainai, K. and Avedilo-Cruz, E. (1997). ***Value Added Productivity Measurement and Its Practical Application***. Japan: Japan Productivity Center for Socio-economic Development.
Sink, D.S. (1985). ***Productivity Management: Planning, Measurement and Evaluation Control and Improvement***. New York: Wiley.

Total Quality Management

Course Title: ***Total Quality Management***
Course No.: MSC 606
Nature of the Course: Specialization *Full Marks: 100*
Duration of the Course: 100 lecture hours *Pass Marks: 40*
Duration of the Class: 60 minutes

Course Objectives

This course aims to develop an understanding on various approaches and issues of total quality management, quality management system and the practices of quality management in Nepal.

Course Description

The course includes the theory of total quality management and ISO 9001:2000 that covers management tools for quality, technical tools for quality, on-line and off-line quality control, quality circles, national and international standards and an overview of Nepalese experiences on quality.

Course Contents

Unit 1: Introduction **LH 10**

Quality concept: Understanding quality, quality dimensions – traditional concept, modern concept and three dimensional concept (Kano model)

Total quality management: a new culture.
Consequences of total quality: Cost of total quality, tools for quality and the Japanese factor.

Unit 2: Management Tools for Quality **LH 15**

Various management tools for quality: Historical background, Armand Feigenbaum – total quality control, W. Edwards Deming approach to management, Joseph Juran on quality, Karou Ishikawa's quality control, Philip Crossby and the quality treatment, Masaki Imai's Kaizen, William Conway's new system of management.

Unit 3: Technical Tools for Quality: Techniques for General Use LH 20

Basic statistical tools for analysis

Design and analysis of experiments: Introduction, factorial experiments, constructing fractional designs.

Supporting the quality improvement process: Affinity diagram, bar chart, block diagram, brainstorming, cause and effect analysis, control charts, cost – benefit analysis, customer – supplier relationship checklist, decision analysis, flow charts, force field analysis like graph/ run charts, pareto analysis, quality costing, quality function deployment (QFD), quality project approach and the problem-solving process, risk analysis, scatter diagram.

Unit 4: Technical Tools for Quality: Techniques for On-line Quality Control **LH 10**

Statistical Process Control (SPC): Introduction, data collection plan, variables charts, attribute charts, interpreting the control charts.

Complements and alternatives to SPC: Charts for drifting processes, multi-variate charts, alternatives to SPC.

Unit 5: Technical Tools for Quality: Techniques for Off-line Quality Control **LH 15**

Taguchi's approach to experimental design and off-line quality control, recommended analysis techniques, performance measures, non-standard techniques, alternative techniques for off-line quality control.

Unit 6: Quality Circles **LH 10**

Quality circles – background, concept, organizing, and operation, QC tools and techniques, management presentation and effective communication, key factors for successful implementation, managing the growth, reward and recognition.

Unit 7: Nepalese Experiences on Quality **LH 10**

Quality & Standard: types of standard, level of standard, role of standard, Nepal Standard, process of NS certification.

Quality in Nepalese organizations: Present approaches for quality promotion and enhancement in Nepalese organizations, and issues, problems and prospects of quality enhancement in Nepalese organizations.

Unit 8: ISO 9001:2000 Quality Management Systems LH 10

Quality management systems: Introduction, evolution, principle and requirements, certification, and concept of other various international standards (ISO 14001:2001, ISO 18001, ISO 22000).

Basic References

Logethetis, N. (1992). ***Managing for Total Quality: From Deming to Taguchi and SPC***. New Delhi: Prentice Hall of India Pvt. Ltd.

Raju, Sundara, S.M. (1998). ***Total Quality Management***. New Delhi: Tata McGraw-Hill Publishing company Ltd.

Supplementary Readings

Besterfield, Dale H., Besterfield – Michna, Besterfield, Glen, H. and Besterfield – Sacre, M. (2003). ***Total Quality Management*** (3rd Edition). New Delhi: Pearson Education Inc.

Ishikawa, K. (1990). ***Introduction to Quality Control***. Tokyo: 3A Corporation.

Kano, N. (ed.). (1996). ***Guide to TQM in Service Industries***. Tokyo: APO Publication.

Oakland, J.S. (2003). ***TQM: Text with Cases*** (3rd Edition). Butterworth – Heinemann, Burlington, Massachusetts.

Profit Planning and Control

Course Title: ***Profit Planning and Control***
Course No: ACC 611 *Full Marks: 100*
Nature of Course: Specialzation *Pass Marks: 40*
Duration of Course: 100 Lecture Hours
Duration of Class: 60 minutes

Course Objectives

The course aims to provide the knowledge of tools and techniques of budgeting and profit planning in a competitive business environment. It also aims to acquaint students with advanced knowledge in the field of accounting in order to help formulate business strategies.

Course Description

The course deals on micro unit of profit planning concept which are necessary for application of tools. It also deals on different tools and techniques for planning and controlling of various business activities like sales, production, purchases, operation of a business firm. The course further deals on advanced concept of zero base budgeting, just-in-time purchases and production in planning of production and inventory determination. The course also focuses on the origin of strategic management accounting and related techniques and informational need to help evolve business strategies.

Course Contents

Unit 1: Conceptual Foundation **LH 8**

Origin, Fundamental concepts of profit planning and controls, Application of time factor in PPC. Advantages and limitations; PPC process, Behavior implication, Application of PPC in manufacturing and non-manufacturing enterprise.

Unit 2: Planning and Control of Sales **LH 4**

Need for sales planning, long and short range sales plan, comprehensive sales plan for manufacturing and non-manufacturing organizations.

Unit 3: Production Planning and Control of a Manufacturing concern **LH 7**

Inventory level in normal circumstances; Just in time production and inventory level; Production in computer integrated manufacturing; Production planning budget.

Unit 4: Planning of factor of production **LH 30**

Material consumption; Purchases and material cost budgets. Material inventory and JIT purchase. Merchandise purchase budget of a non manufacturing organization. Open to buy concept and its validity. Planning of direct labour hour; Direct labour cost, Direct labour budget and control; Overhead cost planning and control, Controllable and non controllable overhead cost. Cost and expenses; Cost control and cost reduction. Manufacturing, administrative and selling & distribution overhead cost planning; Apportionment and reapportionment of planned overhead costs to operating divisions.

Unit 5: Zero Base and Activity Based Budgeting **LH 6**

Concept of zero base and activity based budgeting; Advantages and limitations; Objectives and procedures.

Unit 6: Planning and Control of Cash **LH 5**

Concept and objectives of planning and control of cash; estimation of cash receipts and payments; Borrowing and other financial need; Use of financial accounting approach in computing cash collections and cash disbursements.

Unit 7: Completion of Profit Plan **LH 10**

Completion of annual profit plan, alternatives available in developing profit plan, implementation of profit plan and its uses in controlling of operations.

Unit 8: Use of CVP Analysis in Profit Planning **LH 10**

Break even and contribution analysis, cost validity, sales mix and sales price planning.

Unit 9: Strategic Management Accounting and Profit Planning **LH 20**

a)**Strategic Management Accounting:** Origin and concept of Strategic Management accounting, Strategy implementation and evaluation;

b) **Analytical Information:**

Concept and need for analytical information; Boston matrix, SWOT analysis, Product life cycle; Tailored financial control measures; Diversification strategies; and experience curve

c) **Profitability Analysis:**

Concept, need and objective of profitability analysis; Customer profitability analysis and product profitability analysis

d) **Competitor Strategy:**

Concept and importance of competitor strategy; Economic versus managerial performance; Types of strategic decisions, engineering cost relationship, marketing investment analysis; Current and future competitors

Basic References

Kaplan, R.S. and Alkinson, A.A. (2000). ***Advanced Management Accounting*** (2nd Edition). New Delhi: Prentice Hall of India.

Welsch, G.A., Hilton, R.W. and Gordon, P.N. (2000). ***Budgeting Profit Planning and Control*** (5th Edition). New Delhi: Prentice Hall of India Pvt. Ltd.

Supplementary Readings

Drury, C. (2000). ***Management and Cost Accounting***. London: Thomson Learning.

Hansen, D.R. and Mowen, M.M. (2000). ***Management Accounting*** (5th Edition). Ohio: South-Western Publishing, Cincinnati.

Jakhotia, G.P. (1990). ***Budgeting and Budgetary Control***. First Reprint. New Delhi: Tata McGraw Hill Publishing Co. Ltd.

Michael, E.P. (1985). ***Competitive Strategy***. Free Press.

Rathnam, P.V. (1994). ***Budgeting*** Bombay: Himalaya Publishing House.

Advanced Auditing

Course Title: ***Advanced Auditing***
Course No: ACC 612 *Full Marks: 100*
Nature of the Course: Specialization *Pass marks: 40*
Duration of the Course: 100 Lecture Hours
Duration of the Class 60 minutes

Course Objectives

This course aims to develop students' capability in performing and reporting on audit and assurance to increase reliability of financial and non-financial information. It also aims to develop students' capability to identify, gather and assess evidences for sufficiency and appropriateness in performing audit.

Course Description

This course examines statutory requirement for audit, audit process, strategy and planning, special audit techniques and procedures, tax audit, audit of organizations under computerized environment, audit report and trends in auditing

Course Contents

Unit 1: Statutory Requirements **LH 20**

Legal and professional requirements: Provisions of auditing in Company Act, BAFIA, Corporation Act, Social Organization Act, Education and Cooperative Acts and Nepal Standards on auditing (mandatory, voluntary and exposure drafts) including guidance notes and practice statements issued by the Institute of Chartered Accountants of Nepal and/or Auditing Standard Board.

Unit 2: Auditing Processes, Audit Strategy and Planning LH 5

Understanding of business and assessing audit risks, review of internal and accounting control, use of works of internal auditor and other experts, development of overall audit plan and program, time and resource schedule, conducting audit, collection of evidences, maintenance of working paper and permanent files, independent review of audit files and confidentiality of information obtained during the audit.

Unit 3: Special Audit Techniques and Procedures **LH 10**

Sample selection, ratio analysis and trend analysis, physical verification of fixed assets, inventory and cash, setting materiality level, enquiry, balance confirmation, inspection, drawing conclusion and steps to mitigate audit risks.

Unit 4: Audit of Public Sector Undertakings **LH 10**

Special features in audit of Public Sector Undertakings in Nepal, concept of economy, efficiency and effectiveness in public sector auditing. Introduction of public sector accounting standard on cash basis and accrual basis, Standards on public accounting in Nepal and International auditing standards issued by INTOSAI.

Unit 5: Cost and Management Audit **LH 10**

Concept and importance of cost audit, procedure regarding cost audit, cost audit report, cost audit program. Concept & need of management audit. Conducting management audit. Review of processes of management audit. Review of functional areas and proprietary audit. Behavioral problems.

Unit 6: Performance Audit **LH 5**

Concept, scope, objectives and essential elements of performance audit. Difference between financial and performance audit. Performance audit in Nepal.

Unit 7: Tax Audit **LH 5**

Concept and objectives of tax audit. Importance and limitations of tax audit. Tax audit and financial audit. Tax planning and tax audit.

Unit 8: Audit of Specialized Organizations **LH 20**

Audit of financial institutions (bank, development bank, finance companies). Long-form audit report as per Nepal Rastra Bank Directives, cooperatives, insurance company, local bodies and educational institutions; Special features and statutory requirements.

Unit 9: Audits under Computerized Environment **LH 5**

Concept and Specific issues related to EDP audit; Techniques of EDP audit, Use of Computer and Computer Assisted Audit; Roles and risks of auditor.

Unit 10: Auditor's Report **LH 5**

Types of audit report, management letter, disclosure requirement, difference between certificate and report, report related to commercial and government auditing; Modification to auditor's report

Unit 11: Trends in Auditing **LH 5**

Financial forecasts, human resources auditing, reports on financial sickness, special requirements of different users.

Basic References

Company Act 2063, *Income Tax Act* 2058, *BAFIA* 2063, *Corporation Act*, *Cooperative Act*, *Education Act*, *Self Governance Act*, *Constitution of Nepal*.

Gupta, K. (2005). ***Contemporary Auditing*** (6th Edition). New Delhi: Tata McGraw Hill.

Nepal Standards on Auditing, including preface, framework, guidelines, practice statements, Auditing Standards Board and Standards Issued by INTOSAI and Directives Issued by Office of Auditor General.

Ramanathan. (1997). ***Cost and Management Audit*** (2nd Edition). New Delhi: Tata McGraw Hill.

Supplementary Readings

Amatya and Pandey. (2062). ***Lekha Parichhyan*** (4th Edition). Kathmandu: Asia Publication Pvt. Ltd.

Batra and Bagardia. (1992). ***Textbook of Auditing***. New Delhi: Tata McGraw-Hill Publishing Co. Ltd.

Millichamp, A.H. (2002). ***Auditing*** (8th Edition). London: ELST

Prakash, J. (1980). ***Auditing Principles, Practices and Problems*** (4th Revised and enlarged Edition). New Delhi: Kalyani Publishers.

Tondon, B.N. (1999). ***Practical Auditing*** (12th Edition). New Delhi: S. Chand, and Co.

Tax Laws and Tax Planning

Course Title: ***Tax Laws and Tax Planning***
Course No.: ACC 613 *Full Marks: 100*
Nature of the Course: Specialization *Pass Marks: 40*
Duration of the Course: 100 lecture hours
Duration of the Class: 60 minutes duration

Course Objectives

This course aims to provide the students with the knowledge of tax laws and tax planning for decision making and enable them to work as tax consultants in the corporate sector and tax officers in the government sector.

Course Description

This course includes various direct and indirect taxes in Nepal covering income tax, value added tax, customs and excise. It also covers tax planning concept and its use in Nepal.

Course Contents

Unit 1: Conceptual Foundation **LH 5**

Sources of financing in Nepal. Structure of taxation in Nepal. Historical development of tax laws in Nepal. Definition of related terms.

Unit 2: Income Tax **LH 40**

Sources of income, tax exempted income, tax exempted institutions, tax rates, tax exemptions, tax rebates, treatment of provisions related to deductions and reductions, tax deduction at source and its treatment, types of assessment, computation of assessable income, taxable income and tax liability under business and investment, set off and carry forward of losses, inter-source and inter-head adjustments-within country and outside country, tax audit and investigation, method of collection and realization, rights and duties of income tax authorities and assessee, advance ruling, fines and penalties for breach of rules, review and appeal.

Unit 3: Value Added Tax **LH 15**

Taxable transactions, tax exemptions and zero rate, tax deduction and tax refund, tax invoice, tax accounting, tax calculation, tax registration,

collection, fines and penalties, appeal, cases related to value added tax.

Unit 4: Customs **LH 10**

Scope of Custom Act, import and export procedures, provisions regarding *Jhitigunta*, accompanied and non-accompanied goods, import under Duty Refundable Procedure and in-bond system, Bonded warehouse and provision of re-export, area of customs tariff, commodity classification, valuation system, customs rate, exemptions, fines and penalties, appeal.

Unit 5: Excise **LH 5**

Excisable products, obtaining of license and its termination, determination of factory price, physical control system, method of excise assessment, recovery ratios, exemptions, fines and penalties, appeal.

Unit 6: Revenue Administration **LH 5**

Structure of revenue administration, Inland Revenue Department, Ministry of Finance, Customs Department, Revenue Investigation Department.

Unit 7: Tax Planning Concept **LH 5**

Concept of tax planning, significance of tax planning, tax evasion and tax planning, tax avoidance and tax planning, scope of tax planning.

Unit 8: Tax Planning for Various Payments and Activities **LH 10**

Remuneration payment, self-employment, capital structure, depreciation system, location of industrial set up, timing of activities, leasing or buying.

Unit 9: International Taxation **LH 5**

Taxation of non-resident (service providers) related to shipping, airlines, transport, telecommunication or remittances, foreign tax credit, double taxation avoidance treaties.

Basic References

Nepal Government. ***Budget Speech and Finance Act.*** (Recent)

Nepal Government. ***Customs Act 2064*** with amendments. Kathmandu: Ministry of Law, Justice and Constituent Assembly.
Nepal Government. ***Custom Rules 2064*** with amendments. Kathmandu: Ministry of Law, Justice and Constituent Assembly.
Nepal Government. ***Double Taxation Avoidance Treaties*** with various countries.
Nepal Government. ***Income Tax Act 2058*** with amendments. Kathmandu: Ministry of Law, Justice and Constituent Assembly.
Nepal Government. ***Income Tax Rules 2059*** with amendments. Kathmandu: Ministry of Law, Justice and Constituent Assembly.
Nepal Government. ***Value Added Tax Act 2052*** with amendments. Kathmandu: Ministry of Law, Justice and Constituent Assembly.
Nepal Government. ***Value Added Tax Rules 2053*** with amendments. Kathmandu: Ministry of Law, Justice and Constituent Assembly.

Supplementary Readings

Bhattarai, I. and Koirala, G.P. ***Tax Laws and Tax Planning*** (Latest Edition). Kathmandu: Asmita Publication.
K.C., J.B. ***Tax Laws and Tax Planning: Theory and Practice*** (Latest Edition). Kathmandu: Khanal Books Prakashan.
Kandel, P.R. ***Tax Laws and Tax Planning in Nepal*** (Latest Edition). Kathmandu: Buddha Academic Publishers.
Khadka, R. (2001). ***VAT in Nepal***. New Delhi: UBS Publisher Distributors Ltd.
Lekhi, R.K. (1995). ***Public Finance***. New Delhi: Kalyani Publishers.
Mallik, V. ***Nepal Ko Adhunik Ayakar Pranali*** (Latest Edition). Kathmandu: Anita Mallik.
Prasad, B. ***Direct Taxes: Laws and Practice*** (Latest Edition). New Delhi: Vishwa Prakashan.
Singhaniya, V.K. ***Direct Taxes: Law and Practice*** (Latest Edition). New Delhi: Taxman Publication Pvt. Ltd.

Accounting Theory and Financial Reporting

Course Title: ***Accounting Theory and Financial Reporting***
Course No: ACC 614 *Full Marks: 100*
Nature of Course: Specialization *Pass Marks: 40*
Duration of Course: 100 Lecture Hours
Duration of the Class: 60 minutes

Course Objectives

The course aims to cover the accounting theories and their application, practical & conceptual issues of general purpose financial statements for reporting financial position and performance and financial analysis for performance appraisal of business enterprises including financial intuitions. It also aims to provide exposure to discloser requirement for financial statements and reporting, accounting standards issued by Nepal Accounting Standards Board and International Accounting Standard Board.

Course Description

The course is intended to provide in depth knowledge in theoretical aspect in the preparation or use of corporate financial reports whether as accountants, financial executives, auditors, financial analysts, actuaries or legal advisors. The course also covers financial reporting and analysis of business transactions, events and structures. Topics include accounting theory, reporting and analysis of earning, financial positions and changes in ownership equities, corporate financial reporting, financial statements based on price-level changes and contemporary issues in financial reporting.

Course Contents

Unit 1: Introduction **LH 20**

Concept and Objectives of Accounting Theory. Approaches to Accounting Theory. Classification of Accounting Theory. Origin of Accounting Theory: Influence of government regulatory bodies; Influence of taxation; Structure of Accounting Theory: accounting principles, concepts and conventions. External financial reporting: Meaning of general purpose financial statement, nature, objectives and qualitative characteristics of financial statements. Accounting standards: National and International. Standard setting bodies: responsibilities and processes, national and international accounting

and reporting standards (mandatory, recommendatory, exposure draft), interpretations, framework for preparation and presentation of financial statements, recognition and measurement of elements of financial statements, departure from current corporate practices.

Unit 2: Reporting and Analysis of Earnings and Net Income **LH 10**

Concept, basis, timing & recognition of revenue; Matching concept, allocation and recognition of expenses; Concepts and features of gains and losses; Income statement: concept and objectives, preparation, presentation and analysis (performance evaluation relating to revenue and income, expenses and income) for companies including financial institutions in accordance with relevant accounting standards and directives by monitoring agencies. Concepts, importance and objectives of net income, accounting concept of net income and its measurements, economic concept of net income, value added concept of income. Measurement of net income to parties: investors, shareholders & equity shareholders, basis of measurement of income, analysis of changes in income. Case analysis of income statement presented by Nepalese listed companies

Unit 3: Reporting and Analysis Financial Position **LH 5**

Nature of business assets; Long term fixed assets: tangible, natural resources, intangible, and fictitious assets including intellectual property rights, valuation and amortization of wasting assets and intangible assets, valuation of investment. Costs and choice of depreciation methods considering their tax implications. Current assets: concept, need and objectives, monetary and non-monetary, inventory valuation, justification of assets owned from performance evaluation of the organization, and measurement of assets.

Liabilities: concept and objectives, long-term and short-term, types, conversion and repayment, tax implications using debt. Current liabilities: concept, need and importance, monetary and non-monetary, lease: nature and types.

Ownership equity: common stock, preference stock, retained earnings and reserve and surplus. Preparation and presentation of balance sheet and financial position analysis; Disclosure in financial statements and applications of relevant accounting standards.

Unit 4: Reporting and Analysis of Changes in Stockholders' Equities **LH 20**

Need and importance of stockholders' equity; Changes in stockholders' equity: Increases in share capital, redemption of preferred stock, stock dividend and stock split, and stock warrants, Stock Listing: meaning, benefits, conversion of debt into shares and stocks, Sweat equity shares, shares buy-back, earnings, issue of bonus shares, business combinations and reconstruction and investment in subsidiary companies and their accounting treatment, and reporting, analysis of effect on earnings and EPS owing to changes in stockholders' equity, appraisal of the impact of changes in accounting policies and the regulatory framework on shareholders' funds.

Unit 5: Corporate Reporting and Disclosure in Financial Reporting **LH 20**

Nature and objectives of external financial reporting, issue in financial reporting; accounting information provided by financial statements, financial reporting for tax purposes: statement of corporate taxable income. Deferred tax: permanent and temporary differences. Corporate Financial reports: Income statement, Balance sheet, Changes in owners' equity and Cash flow statement as per Company Act and regulatory framework like NRB, SEBON and Insurance Board Directives. Director's and auditor's reports; disclosure required in financial reporting as per national and international accounting and financial reporting standards, evaluation of disclosure practices in financial reporting, transparency in financial statements. Currency translation of financial statement of foreign operations. Issues related to consolidation of financial statements, interim, segment and group reporting, valuation of goodwill and shares, differences in accounting standards followed.

Unit 6: Reporting the Price Level Changes **LH 10**

Effect of price level change in financial reporting; Nature of price level changes: general, specific and relative price level changes; Limitations of historical cost accounting; Reporting financial statements under current cost accounting and general purchasing power accounting; Application of relevant accounting standards

Unit 7: Contemporary Issues in Accounting **LH 15**

Corporate Governance: governance systems and contemporary mechanism, accounting issues arising from corporate failures, business ethics and financial reporting; Corporate Social performance and responsibility accounting; social discloser requirements; Not-for-profit accounting: features and accounting standards and reporting for performance appraisal. Human resources accounting (HRA) and reporting; factors leading to development of HR Accounting and reporting, HR Accounting and reporting in Nepal; Environmental accounting and reporting Internet financial reporting: possibilities and challenges.

Basic References

Handriksen and Breda. (1991). ***Accounting Theory*** (5th Edition). New York: Irwin McGraw Hill.

Porwal, l.S. (1986). ***Accounting Theory: An introduction***. New Delhi: Tata McGraw Hill Publishing Co.

Supplementary Readings

Accounting Standards Board. (2003). ***Nepal Accounting Standards***. Kathmandu: ASB.

Belkani, A. (NA). ***Accounting Theory*** (3rd Edition). USA: Harcourt Brace Jovomovich.

Bhattacharya, A.K. (2006). ***Indian Accounting Standards***. New Delhi: Tata McGraw-Hill Publishing Co. Ltd.

Bloom and Elgers. (1995). ***Foundations of Accounting Theory and Policy***. USA: HB College Publishers.

Greunning and Keen. (2000). ***International Accounting Standards***. A practical guide. USA: World Bank.

International Financial Reporting Standards.

Nobes and Parker. (2002). ***Comparative International Accounting*** (First Indian Reprint). New Delhi: Pearson Education (Singapore) Pte, Ltd.

Rathor, S. (1996). ***International Accounting***. New Delhi: Prentice-Hall of India Pvt. Ltd.

Revsine, Collins and Johnson. (1999). ***Financial Reporting and Analysis***. New Jersey: Prentice Hall, Upper Saddle River.

Small Business Management

Course Title: ***Small Business Management***
Course No.: MGT 621 *Full Marks: 100*
Nature of the course: Specialization *Pass Marks: 40*
Duration of the course: 100 Lecture hours
Duration of the class: 60 minutes

Course Objectives

This course aims to develop students' knowledge and skill for effective small business management with a view to prevent business failure and promote profitable ventures in the context of Nepal.

Course Description

This course provides an understanding of the components of the small business operation and management and includes the nature and characteristics of small business, starting small business, considerations for business creation, marketing, managing, financial and administrative controls of small business, growth strategies and sickness, government policies and institutional arrangement for small business in Nepal.

Course Contents

Unit 1: Introduction **LH 10**

Concept and characteristics of small business, Rationale and objectives of small business; Role of small business in economic development, Trend for small business. Problems of small business in Nepal.

Unit 2: Starting Small Business **LH 15**

The startup: creating a new business, sources of startup ideas; Buying an existing business: Reasons for buying an existing business; Investigating and evaluating available business, valuing the business – non quantitative factors in valuing a business, negotiating and closing the deal; Franchising: concept, scope, types, advantages and disadvantages of franchising, evaluating franchising opportunities, legal considerations in franchising, global franchising. The family business: meaning, strengths and limitations of family business, professionalism in family business, developing a succession strategy, process of succession plan, new venture plan – concept, uses and components.

Unit 3: Considerations for Business Creation **LH 15**

Location decision: Importance of the location decision, key factors in selecting a good location, designing the physical facilities; Initial financial planning: Nature of capital requirements, estimating capital requirements, locating sources of funds and preparing financial proposal; Market analysis: concept and process of market analysis and sales forecasting; Legal provisions. Legal forms of organization, choosing an organizational form, ownership pattern of small business in Nepal, registration of small business.

Unit 4: Managing Small Business Operations **LH 10**

Management functions in small business, special management problems of small business, outside management assistance, small business objectives and strategy; Managing production operations: production planning and control, quality management, purchasing policies and practices, inventory management, Managing human resources in small firms.

Unit 5: Small Business Marketing **LH 10**

Marketing activities for small business: Product, pricing, place and promotional strategies; offering credit-benefits and types of credit, credit policies.

Unit 6: Financial and Administrative Controls **LH 13**

Establishing an accounting system; Financial statements: Concept and analysis; Budgeting. Working capital management; Use of financial software, common business risks, risk management in small business.

Unit 7: Sickness in Small Business **LH 7**

Concept of industrial sickness, signals and symptoms of sickness, causes and consequences of industrial sickness, corrective measures.

Unit 8: Policy Support to Small Business **LH 10**

Government policy for small business, Assessment of the government policies – Industrial Policy, Trade Policy and Taxation Policy; Problems and Issues related to government policy.

Unit 9: Institutional Support to Small Business **LH 10**

Need for institutional support, Institutional involvement in small business sector: Department of Cottage and Village Industry (DCVI),

Cottage and Small Industry Development Board (CSIDB), Industrial Enterprise Development Institute (IEDI), Trade and Export, Promotion Centre (TPC), Federation of Nepalese Cottage and Small Industries of Nepal (FNCSIN): Their objectives and activities.

Basic References

Hodgetts, M. and Kuratko, D.F. (2000). ***Effective Small Business Management***. New York: The Dryden Press.

Longenecker, J.G., Carlos, W.M. and Petty, I.W. (2003). ***Small Business Management – An Entrepreneurial Emphasis***. Ohio: South – Western Publishing Company.

Maskey, B.K. (ed). (2001). ***Small and Medium Enterprise Development in Nepal***. Kathmandu: Centre for Development and Governance.

Siropolis, N. (1998). ***Entrepreneurship and Small Business Management***. Chennai: All India Publishers and Distributors.

Supplementary Readings

Desai, V. (2006). ***Small Scale Industries and Entrepreneurship***. New Delhi: Himalaya Publishing.

Khanka, S.S. (2006). ***Entrepreneurial Development***. New Delhi: S. Chand and Co. Ltd.

Publications of Concerned Institutions.

International Business

Course Title: ***International Business***
Course No.: MGT 622 *Full Marks : 100*
Nature of the course: Specialization *Pass Marks: 40*
Duration of the course: 100 Lecture hours
Duration of the class: 60 minutes

Course Objectives

A major objective of this course is to develop a sensitivity that will enhance student's ability to operate in the complex environment of international business. The students will develop an understanding of international business complexities by examining the challenges and opportunities of operating globally. The course will particularly focus on the problems and issues that confront managers in the arena of international business.

Course Description

The emphasis of the course will be on developing an understanding of the complexities of dealing with diverse socio-cultural, political and economic systems. The role of business in this dynamic world environment will also be analyzed. The course will also emphasize on examining issues relating to global business environment, globalization and the emerging structure of the global economy, theories of international trade and investment, international monetary and financial systems, market assessment criteria, and the international institutions in order to develop the best international business strategy and mode of entry.

Course Contents

Unit 1: Introduction **LH 10**

Meaning and concept; Nature and components; Evolution of international business; Scope; Opportunities and challenges; Emerging scene in international business.

Unit 2: Globalization and Multinational Companies **LH 10**

Concept, forms, and characteristics of globalization; Globalization drivers; Global competitive forces; Recent trends in globalization; Multinational companies – meaning and concept, types and characteristics; Characteristics of contemporary world business; Role

of government in strengthening business competitiveness. Global expansion strategy of MNCs

Unit 3: International Trade and FDI **LH 10**

Theories of international trade and investment; Existing status of global trade – volume and direction; Foreign direct investment and portfolio investment – current status and global trends; FDI and multinationals.

Unit 4: Global Economy and Regional Economic Integration LH 10

Structure of the global economy, Regional economic integration – concept, nature and types; Composition and nature of SAARC, ASEAN, BIMSTEC, APEC, NAFTA, EU; WTO – principles, functions, structure; WTO agreements; Benefits of WTO trading system; WTO and Nepal.

Unit 5: International Monetary and Financial Systems LH 18

Gold Standard history; Bretton Woods and the gold exchange standard; International Monetary Fund; The World Bank; Bank for International Settlements; Balance of Payments issues; Global money markets; International financial markets; International securities markets; Foreign exchange systems; Factors influencing exchange rate; Foreign exchange markets; Foreign exchange instruments and determination; Exchange controls; International banking and bank lending.

Unit 6: Global Business Environment **LH 17**

Nature, types and complexity of international business environment; Analysis of environmental forces; Socio-cultural forces – dimensions, understanding of national cultures, complexity of doing business across cultures; Natural resources and environmental sustainability issues; Political forces – ideological issues, political instability and hostility, political risks and their assessment; Labour force – immigration, brain drain, and employment issues.

Unit 7: International Competitive Strategy **LH 17**

Assessing and analyzing markets, segmentation and screening process; Global strategic planning; Strategies and approaches to managing international business; Analysis of competitive and distributive forces; Promotion; Pricing and distribution strategies; Indicators for market potential; Developing competitive strategy; Export financing and

procedures; International market positioning; Entry strategies and modes – exporting, licensing, franchising, strategic alliances, joint ventures, mergers and acquisition.

Unit 8: Global Operations and Supply Chain Management LH 8
Concepts; Design of products and services; Standardization of global operations; Logistics and supply chain management; Global sourcing.

Basic References

Ball, D.A., Mchulloch, W.H., Frantz, P.L., Geringer, M.(Jr.) and Minor, M.C. (2006). ***International Business: The Challenge of Global Competition***. New York: McGraw Hill, International Publication.
Czinkota, M.R., Ronkainen, I.A. and Moffett, M.H. (2003). ***International Business***. Bangalore: Thomson Asia Pte Ltd.
Daniels, J.D., Radegaugh, L.H. and Sullivan, D.P. (2005). ***International Business: Environments and Operations***. India: Pearson Education Asia.

Supplementary Readings

Aswathappa, K. (2005). ***International Business***. New Delhi: Tata McGraw Hill Publishing Company Limited.
Beamish, P.W., Morrison, A.J., Inkpen, A.C. and Rosnezweig, P.M. (2003). ***International Management***. New York: McGraw Hill.
Bhalla, V.K. and Shivarumu, S. (2005). ***International Business: Environment and Management***. New Delhi: Anmol Publications Pvt. Ltd.
Rao, P.S. (2008). ***International Business: Text and Cases***. Mumbai: Himalayan Publishing House Pvt. Ltd.
Rugman, A.M. and Hodgetts, R.M. (2005). ***International Business***. New Delhi: Pearson Education Pte. Ltd.
Sharan, V. (2006). ***International Business Concept, Environment and Strategy***. New Delhi: Pearson Education.
Sthapit, A. (2005). ***International Business Text and Cases***. Kathmandu: Taleju Prakashan.
Sundaram, A.K. and Black, J.S. (2005). ***The International Business Environment***. New Delhi: Prentice Hall of India Private Limited.
Taggart, J.H. and McDermott, M.C. (2000). ***The Essence of International Business***. New Delhi: Prentice Hall of India.

Organizational Development

Course Title: ***Organizational Development***
Course No.: MGT 623 *Full Marks : 100*
Nature of the course: Specialization *Pass Marks: 40*
Duration of the course: 100 Lecture hours
Duration of the class: 60 minutes

Course Objectives

This course aims to provide students with a knowledge of the integrated and comprehensive view of the field of OD including change, development process and intervention strategy.

Course Description

This course provides a comprehensive knowledge of the organizational development and change and includes OD concepts, management theory of OD, OD interventions and key considerations and issues in OD.

Course Contents

Unit 1: Introduction **LH 5**

The fields of OD: an overview. Definitions of OD. The history of OD. Values, assumptions and beliefs in OD.

Unit 2: Theory and Management of OD **LH 15**

Foundations of OD: models and theories of planned change – Lewin's Change Model. Composition of Planned Change Model. Contemporary Adaptations of Action Research. Managing the OD process: diagnosis, the action component and the programme management component. Action Research and OD: action research – a process and an approach, history of action research, examples of action research in OD.

Unit 3: OD Intervention **LH 40**

Overview of OD intervention. Classifying OD interventions. Team interventions: team and work groups, strategic units of organizations, broad team-building interventions, techniques and exercises used in team-building. Inter-group and third-party interventions: inter-group team-building interventions, third-party piece-making interventions, and organization mirror interventions. Comprehensive interventions: strategic management activities, survey feedback, grid organization development, Schein's cultural analysis, trans-organizational

development, trans-organizational systems and their problems, application stages. Structural interventions: socio-technical systems, self-managed teams, work redesign, MBO and appraisal, quality circles, quality of work life, parallel working structures. Total Quality Management (TQM) and business process reengineering, application stages. Training experiences: T-Groups, behavior modeling, life and career planning.

Unit 4: Considerations and Issues **LH 40**

Issues in consultant-client relationships: defining the client system, the trust issue, the consultant as a model and professional ethics. System ramifications: human resources leadership and involvement, resistance to change, leadership and leadership style, rewards and skills, staffing and career development and labor relations. Power, politics and OD: definition of terms, sources of social power. Organizational politics-definition, framework for analyzing power and politics. Issues and problems of OD and recent development in OD.

Basic References

Cummings, T.G. and Worley, C.G. (2001). ***Organization Development and Change***. Ohio: South-western College Publishing.

French, W.L. and Bell, C.H. (2000). ***Organization Development***. New Delhi: Prentice-Hall of India.

Supplementary Readings

Beer, M. (1980). ***Organizational Change and Development***. Santa Monica Calif: Goodyear Publishing.

Burke, W.W. (1994). ***Organization Development***. MA: Addison – Wesley Publishing Company.

Logothetis, N. (1997). ***Managing for Total Quality***. New Delhi: Prentice-Hall of India.

Peppard, J. and Powland, P. (1999). ***The Essence of Business Process Reengineering***. New Delhi: Prentice Hall of India.

Labour Relations

Course Title: ***Labour Relations***
Course No.: MGT 624 *Full Marks : 100*
Nature of the course: Specialization *Pass Marks: 40*
Duration of the course: 100 Lecture hours
Duration of the class: 60 minutes

Course Objectives

This course aims to provide knowledge to students on important aspects of labour relations with a view to develop analytical perspective to understand, manage and solve labour issues and problems particularly in the Nepalese work environment.

Course Description

This course reviews the nature and role of labour relations in organizational life. The course deals with the context, policy, institutions and mechanisms of labour relations in Nepal and includes labour relations system, environment, policy and legislation, trade unionism, industrial disputes, collective bargaining, negotiations, union/ industrial democracy, workers' participation, work-place environment, wage issues, ILO and Nepal, and emerging trends and issues in Nepal.

Course Contents

Unit 1: Labour Relations System **LH 10**

Labour relations system: Basic concepts and dynamics, the actors of LRS – their composition, features and role in labour relations; The labour relations theory: historical and current perspective, overview of LRS in Nepal, and evolution of LRS in Nepal.

Unit 2: Labour Relations Environment **LH 10**

The labour relations climate: social, political, technological, legal, labour market and economic forces influencing labour relations in Nepal. Labour relations in the changed economic context. Structure of labour administration system in Nepal.

Unit 3: Labour Policy and Legislation **LH 10**

Overview of the historical development of labour policy in Nepal. Present labour policy and its main features. Labour legislation in

Nepal: main provisions and features of the Labour Act, Trade Union Act and Bonus Act.

Unit 4: Trade Unionism **LH 10**

Concept and types of trade union. Roles and responsibilities of trade unions. Development of Trade union in Nepal. Existing structure of trade unions. Registration and status of trade unions. Union democracy. Union leadership issues, problem of multiple unions, and business vs. political unionism.

Unit 5: Industrial Disputes in Nepal **LH 15**

Nature, causes and effects of industrial disputes in Nepal. Types of disputes: legal or illegal, overt and covert expressions of conflict. Emerging trends in industrial disputes. Procedure of making claims and complaints by unions. Industrial relations machinery: Prevention and settlement of disputes-methods and legal provisions. Conciliation and arbitration system in Nepal. Voluntary settlement procedure in Nepal. Labour court: its composition and functioning.

Unit 6: Collective Bargaining and Negotiation **LH 5**

Concept, purpose and significance of collective bargaining. Subject matters of collective bargaining. Process of collective bargaining. Prerequisites for effective collective bargaining. Collective bargaining in Nepal: unit level and national level bargaining. Problems and issues in collective bargaining in Nepal. Negotiation: Concept, principles and process of negotiating contract with the union. Negotiating team. Tactics and counter tactics in negotiation.

Unit 7: Industrial Democracy and Workers' Participation **LH 10**

Concept and rationale. Purpose and significance of workers participation. Forms and level of participation. Legal provisions in Nepal. Worker's participation schemes in Nepal: their working and effectiveness.

Unit 8: Workplace Environment **LH 9**

Shop-floor management issues affecting labour relations. Humanization of workplace. QWL in Nepalese enterprises. Occupational commitment of Nepalese workers. Employee discipline: code of discipline, nature of indiscipline, and disciplinary actions. Employee grievances procedure. Grievance handling machinery and labour relations.

Unit 9: Wage Issues in Labour Relations **LH 8**

Wage components. Criteria and methods of wage determination. Methods of wage payment. Minimum wage policy in Nepal. Wage issues in Nepal. Trends in minimum wages. Wage differentials. Union influence in wage fixation. Statutory and voluntary fringe benefits. Social security in Nepal. Profit-sharing and incentive system in use.

Unit 10: ILO and Foreign Experience **LH 8**

Impact of the ILO on the Nepalese labour relations. Brief introduction of labour relations in Britain, Germany and Japan.

Unit 11: Emerging Trends and Issues in Nepal **LH 5**

Labour market and employment situation. Labour relations and productivity. Privatization and labour relations. Labour relations in public enterprises. Labour relations and development issues: child labour, labour engaged in rural/informal sector, social security, labour welfare and managing industrial relations change.

Basic References

Ahuja, K.K. (1988). ***Industrial Relations Theory and Practice***. New Delhi: Kalyani Publishers.

Monappa, A. (1999). ***Industrial Relations***. New Delhi: Tata McGraw-Hill Publishing Co. Ltd.

Pant, P.R. and Manandhar, N. (eds.). (1998). ***Industrial Relations in Nepal***. Kathmandu: Friedrich Naumann Foundation and Industrial Relations Forum.

Supplementary Readings

Govt. of Nepal. (1974). ***Bonus Act***. Kathmandu: Ministry of Law.

Govt. of Nepal. (1992). ***Labour Act***. Kathmandu: Ministry of Law.

Govt. of Nepal. (1992). ***Trade Union Act***. Kathmandu: Ministry of Law.

ILO. (1998). ***Labour Administration: Profile on Nepal***. Kathmandu: ILO office.

Kochan, T.A. (1980). ***Collective Bargaining and Industrial Relations: From Theory to Policy and Practice***. Illinois: Irwin Inc.

Kochen, T.A. and Katz, H.C. (1998). ***Collective Bargaining and Industrial Relation***. Homewood: Irwin.

Verma, P. (1999). ***Management of Industrial Relations***. New Delhi: Oxford and IBH.

Foundations of Financial Theory

Course Title: ***Foundations of Financial Theory***
Course No: FIN 631 *Full Marks: 100*
Nature of the Course: Specialization *Pass Marks: 40*
Duration of the Course: 100 Lecture hours
Duration of the Class: 60 minutes

Course Objectives

This course aims to impart knowledge to the students on the theory of finance and develop analytical skills for making financial decisions in the context of Nepal.

Course Description

This course provides an insight into financial theory and some empirical evidence concerning interest rate, international financial environment, portfolio theory, capital budgeting under uncertainty, financial risk, capital structure and cost of capital, merger and acquisition, restructuring, and financial distress. The course also provides an overview of these topics in the context of Nepal.

Course Contents

Unit 1: Introduction **LH 5**

Evolution of financial management; Maximizing shareholders' wealth; Social responsibility; Divergent objectives; Managerial strategies and determinants of value; Finance in organization structure; Financial management and other discipline; Changing role of financial management.

Unit 2: Interest Rate and International Financial Management LH 12

Market determination of interest rates and rates of return; Term structure of interest rates; Theoretical explanations for the term structure of interest rates; Risk and market discount rates; The importance of international finance; Impact of exchange rate fluctuations; Basic parity conditions.

Unit 3: Portfolio Theory: Market Risk and Returns LH 24

Market portfolio and investment portfolio; The portfolio opportunity and the efficient set; Choosing a optimal portfolio of assets; Utility

function and risk aversion; The mean and variance of portfolio of assets; Correlation and covariance of returns; Two assets efficient set; Multiple portfolio analysis and selection; Capital market line: The opportunity set with one risky and one risk less asset; The opportunity set with one risk less and many risky assets; Pricing inefficient portfolio; The CAPM and security market line; Characteristics line; Beta as measure of systematic risk; Issues with CAPM; Applications of CAPM; Empirical evidence on the CAPM; The arbitrage pricing theory; The application and evidence of APT.

Unit 4: Capital Budgeting under Uncertainty **LH 12**

The structure of decisions: One period, Two state problem; Two period APT problem; Two period OPM problem; Decision trees; Using the CAPM; Options on assets: The relationship between risk and time; Simple deferral option; A taxonomy of asset options; Abandonment option; Further developments in abandonment decision rules.

Unit 5: Managing Financial Risk **LH 10**

Types of risk; Methods of managing risk; Portfolio insurance; Duration; Immunization; Derivative securities: Hedging risk; Forward markets and forward contracts; Future markets; Forward versus future rates; Interest rate swaps; Currency contracts.

Unit 6: The Theory of Capital Structure **LH 7**

The Modigliani-Miller (MM) Model; MM arbitrage proof; Capital structure and cost of capital; Taxes and capital structure; Effect of bankruptcy costs; financial signaling.

Unit 7: State Preference Theory **LH 3**

Alternative future state of the world; The concept of a pure security; Use of SPM to determine the optimal financial leverage; Implications for leverage decisions.

Unit 8: The Theory of Dividend Policy **LH 7**

Dividend policy in a world without and with taxes; Ingredients of optimal dividend policy: Dividends, agency costs, and external financing; Dividends as signals; Dividends, investments, and taxes; Dividend policy: stock prices and clientele effects.

Unit 9: Mergers and Acquisitions, Restructuring, and Corporate Control **LH 10**

Mergers and takeovers: Rationale for mergers; Features of a merger; Strategic acquisitions involving stock; Corporate voting and control; Tender offer; Empirical evidence on mergers and takeovers; Theory of Restructuring; Forms of restructuring; Traditional approaches to acquisition prices; Management policies in a valuation framework.

Unit 10: Financial Distress **LH 10**

Introduction; The nature of financial distress; Extension and composition; The reorganization process; The absoluter priority doctrine; Economic issues; Models of reorganization; Liquidation; Bankruptcy prediction.

Basic References

Copeland, T.E. and Weston, J.F. (2004). ***Financial Theory and Corporate Policy***. New York: Addison-Wesley Publishing Company.

Horne, V. and James C. (2001). ***Financial Management and Policy***. New Delhi: Prentice Hall of India.

Weston, J.F. and Thomas E.C. (2001). ***Managerial Finance***. New York: The Dryden Press.

Supplementary Readings

Brealey, R. and Stewart, M. (2002). ***Principles of Corporate Finance***. New Delhi: McGraw Hill Book Company.

Brigham, E.F. and Louis, C.G. (2006). ***Financial Management: Theory and Practice***. New York: The Dryden Press.

Copeland, T.E., Weston, J.F. and Shastri, K. (2007). ***Financial Theory and Corporate Policy***. New Delhi: Pearson Education in South Asia.

Eugene, F., and Miller, M.H. (1972). ***The Theory of Finance***. New York: The Dryden Press.

Martin, C., and Mac, M. (2006). **The Theory of Finance: Evidence and Applications**. New York: The Dryden Press.

Moyers, R.C., James, R. McGuigan and William, J.K. (2002). **Contemporary Financial Management**. New York: West Publishing Company.

Capital Structure Management

Course Title: ***Capital Structure Management***
Course No: FIN 632 *Full Marks: 100*
Nature of the Course: Specialization *Pass Marks: 40*
Duration of the Course: 100 Lecture hours
Duration of the Class: 60 minutes

Course Objectives

The objective of this course is to provide the students with an understanding of the theory of capital structure and knowledge of the analytical techniques so developing skills in their application required for devising appropriate capital structure particularly in the context of Nepal.

Course Description

This course provides a broad overview of theory of capital structure with a special emphasis on type of financing, short term financing, term loans, lease financing, common stock financing, debt and preferred stock, warrants and convertibles, option valuation, theory of capital structure, and dividend policy. The course also provides the overview of these topics in the context of Nepal.

Course Contents

Unit 1: Introduction **LH 5**

Capital structure decisions and maximization of shareholder wealth; Financial structure and capital structure; Optimal capital structure: significance goals, and features; factors affecting capital structure decision.

Unit 2: Short-term Financing **LH 15**

Conceptual considerations and type of financing, short-term financing: choosing a short-term financing source, trade credit financing, stretching payables, advantages and disadvantages of trade credit financing, factors influencing credit terms, accruals as a source of funds. Money market credit: commercial paper market, bankers' acceptances, short-term loans: line of credit, revolving credit agreement, transaction loans, interest rates, compensating balances, methods of charging interest rates, secured lending arrangements, assignment of accounts receivable, factoring receivables, inventory

loans; floating loan, chattel mortgage, trust receipt loans, terminal warehouse receipt loan, field warehouse receipt loan.

Unit 3: Term Loans and Lease Financing **LH 15**

Term loans: bank term loan, revolving credit, insurance company term loans, equipment financing; characteristics of term loans, repayment schedule; terms of loan agreements, choice of banks; Lease financing: significance, type of leases, accounting for leases, the financing decision: lease versus borrow, lessor's point of view, lessee's point of view, alternative computation procedures in the leasing analysis, cost comparison for operating leases, factors influencing leasing versus owning decisions, and internal rate of return analysis.

Unit 4: Common Stock Financing **LH 10**

Characteristics of common stock: apportionment of income, control and risk, rights of holders of commonstock, nature of voting rights, cumulative voting, preemptive right, evaluation of common stock as a source of funds, use of rights in financing: number of rights required to purchase a new share, value of a right, effect on position of stockholders, rights issue versus public offerings, initial financing, venture capital, initial public offerings, information effects, asymmetric information.

Unit 5: Long-Term Debt and Preferred Stock **LH 10**

Long-term debt financing: Instruments of long-term debt financing, trustee, indenture, call provision, sinking fund; Secured bonds and unsecured bonds; Decisions on the use of debt; Preferred stock: Use of preferred stock in financing decisions, major provisions of preferred stock issues, evaluation of preferred stock, rationale for different classes of securities, refunding debt or preferred stock.

Unit 6: Warrants and Convertibles **LH 10**

Meaning of warrants, characteristics, valuation of warrants, use of warrants in financing; Convertibles: Rationale for the use of convertibles, conversion ratio and conversion price, convertible bond model, use of convertible in financing, valuing convertible bonds, call policy on convertible bonds, exchangeable debt.

Unit 7: Option Valuation **LH 10**

Meaning and types of options, expiration date value of option, valuation with one period to expiration, volatility of the stock, factors

affecting call option, binomial option pricing of a hedged position, the Black-Scholes Option Pricing Model, applications to corporate finance, the OPM and investment decisions.

Unit 8: Theory of Capital Structure **LH 15**

Introduction to the theory, approaches to capital structure, Modigliani-Miller position, arbitrage argument, corporate and personal taxes, effect of bankruptcy costs, other imperfections, incentive issues and agency costs, financial signaling, information asymmetry, a pecking order of financing, empirical evidence on capital structure.

Unit 9: Dividend Policy **LH 10**

Dividend Payout irrelevance: dividends as a residual, Modigliani and Miller position, dividend versus terminal value, irrelevance under uncertainty, arguments for dividend payout mattering, financial signalling: empirical testing and implications for payout.

Basic References

Brigham, E.F. and Louis, C.G. (2006). ***Financial Management: Theory and Practice***. New York: The Dryden Press.

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Supplementary Readings

Brealey, R. and Steward, M. (2005). ***Principles of Corporate Finance***. New York: McGraw Hill Book Company.

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Moyer, R.C., McGuigan, J.R. and William, J.K. (2003). ***Contemporary Financial Management***. New York: West Publishing Company.

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Ross, S.A., Westerfield, R.W. and Jordan, B.D. (2004). ***Fundamentals of Corporate Finance***. New Delhi: Tata McGraw-Hill Publishing Company Ltd.

Shapiro, A.C. and Sheldon, D.B. (2003). ***Modern Corporate Finance: A Multidisciplinary Approach to Value Creation***. New Delhi: Pearson Education.

Weston, J.F. and Thomas, E.C. (1992). ***Managerial Finance***. New York: The Dryden Press.

Investment Management

Course Title: ***Investment Management***
Course No: FIN 633 *Full Marks: 100*
Nature of the Course: Specialization *Pass Marks: 40*
Duration of the Course: 100 Lecture hours
Duration of the Class: 60 minutes

Course Objectives

The course aims to provide the students with knowledge of concept and principles of investment and develop analytical skills for appraisal of securities and management of investible funds from the view point of investors, individuals as well as institutions, particularly in the context of Nepal.

Course Description

This course provides a broad overview of investment environment, trading of securities in financial market, mutual fund and other investment companies, risk aversion, capital allocation and optimal risky portfolios, equilibrium in capital market and market efficiency, fixed income securities analysis, common stock analysis, option, future and other derivatives, active portfolio management, risk management and hedging. This course also provides an overview of these topics in the context of Nepal.

Course Contents

Unit 1: Investment Environment **LH 5**

The Investment Environment: Real assets versus financial assets; Financial markets and the economy; Clients of the financial system; Environmental response to clientele demands; Market and market structure; Ongoing trends.

Unit 2: Financial Market and Trading of Securities **LH 10**

Market and Instruments: The money market; The fixed-income capital market; Equities securities; Stock and bond market indexes; Derivative markets; Trading of Securities: Issue of securities; Markets for trading securities; Trading on exchanges; Trading on the OTC market; Trading costs; Buying on margin; Short sales; Regulation of securities markets.

Unit 3: Mutual Funds and Other Investment Companies LH 5

Mutual Funds and Other Investment Companies: Investment companies; Types of investment companies; Mutual funds; Costs of investing in mutual funds; Taxation of mutual fund income; Mutual fund investment performance; Information on mutual funds.

Unit 4: Risk Aversion, Capital Allocation and Optimal Risky Portfolios LH 10

Risk Aversion: Risk and risk aversion; Portfolio risk; Capital Allocation between the Risky asset and the Risk-free Asset: Capital allocation across risky and risk-free portfolios; The risk-free asset; Portfolio on one risky asset and one risk-free asset; Risk tolerance and asset allocation; Passive strategies; The capital market line; Optimal Risky Portfolios: Diversification and portfolio risk; Portfolio of two risky assets; Assets allocation with stocks, bonds, and bills; The Markowitz portfolio selection model; Optimal portfolio with restrictions on the risk-free asset.

Unit 5: Equilibrium in Capital Market and Market Efficiency LH 20

The Capital Asset Pricing Model: Introduction; Extensions of the CAPM; The CAPM and Liquidity; Single-Index and Multifactor Models: A single-index security market; Constructing optimal portfolio using Sharp's single index model; The CAPM and the index model; The industry version of the index model; Multifactor models; Arbitrage Pricing Theory: Arbitrage opportunities and profits; The APT and well-diversified portfolios; Individual assets and the APT; The APT and the CAPM; A multifactor APT; Market Efficiency: Random walk and the efficient market hypothesis (EMH); Implications of the EMH for investment policy; Event studies.

Unit 6: Fixed-Income Securities Analysis LH 15

Bond Prices and Yields: Bond characteristics; Default risk; Bond pricing; Bond yields; Bond prices over time; The Term Structure of Interest Rates: The term structure under certainty; Measuring the term structure; Interest rate uncertainty and forward rates; Theories of the term structure; Interpreting the term structure; Fixed-Income Portfolio Management: Interest rate risk; Passive bond management; Convexity; Active bond management; Interest rate swaps; Financial engineering and interest-rate derivatives.

Unit 7: Common Stock Analysis **LH 10**

Macroeconomic and Industry Analysis: The global economy; The domestic Macro-economy; Demand and supply shocks; Government policy; Business cycles; Industry analysis; Equity Valuation Models: Balance sheet valuation methods; Intrinsic value versus market price; Dividend discount models; Price-Earning ratio; Corporate finance and the free cash flow approach; Inflation and equity valuation; Behavior of the aggregate stock market.

Unit 8: Options, Futures and Other Derivatives **LH 10**

Options Markets: Introduction; The option contract; Values of options at Expiration; Option strategies; The put-call parity relationship; Option like securities; Financial engineering; exotic option; Option Valuation: Introduction; Restriction on option values; Binomial option pricing; Black-Scholes option valuation; Black-Scholes formula and hedge ratio; Futures Markets: The future contract; Mechanics of trading in futures markets; Futures markets strategies; The determination of futures prices; Future prices versus expected spot prices.

Unit 9: Active Portfolio Management **LH 10**

Portfolio Performance Evaluation: Measuring investment returns; The conventional theory of performance evaluation; Performance measurement with changing portfolio composition; Market timing; Performance attribution procedures; Evaluating performance evaluation; The process of Portfolio Management: Making investment decision; Constraints; Asset allocation; Making portfolio of individual investor.

Unit 10: Risk Management and Hedging **LH 5**

Risk Management and Hedging: Hedging techniques; Effects of hedging demands on capital market equilibrium.

Basic References

Bodie, Z., Alex, K. and Alan, J.M. (2006). ***Investments***. Boston: Irwin.

Reilly, Frank K. and Keith, C.B. (2003). ***Investment Analysis and Portfolio Management***. Singapore: Thomson South-Western.

Sharpe, W.F., Gordon, J.A., and Jeffery, V.B. (2004). ***Investments***. New Delhi: Prentice Hall of India Ltd.

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Bhalla, V.K. (2007). ***Investment Management***. New Delhi: S. Chand and Co.

Bhattarai, P. (2004). ***The Nepalese Financial System***. Kathmandu: Asmita Books Publishers and Distributors.

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Haugen, R.A. (1997). ***Modern Investment Theory***. New Jersey: Prentice-Hall Inc.

Jonesa, C.P. (2004). ***Investment: Analysis and Management***. Singapore: John Wily and Sons.

Latane, H.A., Donald I., Tuttle, and Charles, P.J. (2002). ***Security Analysis and Portfolio Management***. New York: The Ronald Press Company.

Mayo, H.B. (2006). ***Investment An Introduction***. Singapore: Thompson South- Western.

Reilly, F.K. (1990). ***Investment Analysis and Portfolio Management***. New York: The Dryden Press.

Shrestha, M.K. (1986). ***Securities Exchange Centre: Problems and Prospects***. Kathmandu: United Dynamic Research and Consultancy.

Winger, B.J. and Ralph, R.F. (1982). ***Investment***. New York: Macmillan Publishing Company.

Financial Institutions and Markets

Course Title: ***Financial Institutions and Markets***
Course No: FIN 634 *Full Marks: 100*
Nature of the Course: Specialization *Pass Marks: 40*
Duration of the Course: 100 Lecture hours
Duration of the Class: 60 minutes

Course Objectives

The course aims to provide to the students about understanding on the workings of the financial system, money and capital market, commercial banks, non-bank thrift and other institutions, central banking and regulations in order to facilitate the savings and investment, maximizing yields, making payments, supplying credit, accumulating and allocating wealth, generating liquidity, protecting against portfolio risk, consumers and business in financial market, future of financial system and supporting public policy particularly in the context of Nepal.

Course Description

This course provides an overview of the financial market and institutions with a special emphasis on financial system, commercial banking industry, non-bank and thrift institutions, regulation of financial institutions, interest rate in financial system, money market instruments, central banking in financial market, financial derivatives and future of financial system in the context of Nepal.

Course Contents

Unit 1: Introduction **LH 12**

Overview of the Financial system, influence of financial market in the economy; Overview of the financial market; Structure of financial market; functions performed by financial system and financial market; Types of financial market, financial assets, securities traded in financial market, creation of financial assets, characteristics of financial assets, financial assets and financial system, lending and borrowing in the financial system, evolution of financial transactions, relative size and importance of major financial institutions in financial market, portfolio decisions by financial intermediaries and other financial institutions, disintermediation of funds, internationalization of financial market.

Unit 2: Central Banking, Monetary Policy, Role of Government in Financial Market **LH 12**

History and Organization of central bank, function, role and objectives, assets and liabilities of central bank, open market operation, discount lending; Monetary policy tools used, goals and target of monetary policy, global monetary policy, international monetary policy co-ordination, National and Local Government in financial market-growth and borrowing, sources of revenue for central, state and local government, types of securities issued by national and local government, features and marketing of municipal debt, problems in municipal market; Micro-finance, Central bank and monetary policy tools in Nepal.

Unit 3: Commercial Banking Industry **LH 12**

Structure and commercial bank management, general principles of bank management, Bank sources and uses of fund, managing liquidity and risks in commercial banks, branch banking, portfolio characteristics of commercial banks, money creation an destruction by banks, electronic banking, capital adequacy and Basel Accord I and II, financial innovation, bank consolidation and information technology, measuring bank and commercial bank performance and commercial bank practices in Nepal.

Unit 4: Non-Bank Thrift and Other Institutions **LH 12**

Thrift operations-Credit unions: Background, sources and uses of fund, regulation of savings and loan association; savings banks: Background, sources and uses of fund, regulation; insurance companies: Sources and uses of fund, risk exposure, life insurance companies and property casualty insurance companies, adverse selection moral hazard in insurance, health insurance; pension funds: types and operations, Finance companies: types, operations, sources and uses, risk in finance companies, Mutual Fund Industry and Investment companies: growth, structure, investment objective classes and fees structure.

Unit 5: Regulation of Banks and Financial Institutions **LH 10**

Reasons behind the regulation of banks and financial institutions, Regulation of commercial banks, Non-bank thrift institutions, insurance companies, pension funds, finance companies, and investment companies, overview of trends in regulation of banks and financial institutions; Regulation in commercial banks and financial institutions in Nepal.

Unit 6: Money Market Instruments **LH 10**

Participants in money market and why money market needed, characteristics of money market; Role and need of money market, volume of money market securities, pattern of interest rates in money market; Money market instruments and estimating yield: Treasury bills, dealer loan and repurchase agreement, primary dealers, dealer loans, commercial paper, bankers' acceptance, Euro dollars.

Unit 7: Interest Rate in Financial System **LH 12**

Functions of the rate of interest in the economy; Economic forces that affect interest rate, structure of interest rate, classical theory of interest rate, liquidity preference theory, loanable funds theory, rational expectations theory, relationship between interest rate and security prices, measures of the rate of return or yield on a loan or a security; Yields across securities, yield price relationship, interest rates charged by institutional lenders, inflation and interest rates, yield curves and duration, maturity of a loan, different approach to maturity, default risk, taxes, and other factors influencing interest rate.

Unit 8: Consumers and Businesses in Financial MarketsLH 12

Consumers as lenders and borrowers of funds, use of debit and credit cards, consumer lending institution; Residential mortgage market, structure and trends of mortgage market; innovations in mortgage instruments; mortgage backed securities: characteristics, operations, primary mortgage market, private mortgage insurance, conventional mortgage, discount points, mortgage amortization, collateralized mortgage obligation, pass-through mortgage securities, participants in mortgage market, international mortgage securitization, corporate bonds and characteristics, corporate bond market, corporate stock and characteristics, third market in listed securities and market for stock options.

Unit 9: Future of Financial System **LH 8**

Social, economic, and demographic forces reshaping financial system, trends in financial system, challenges and opportunities Recent trends.

Basic References

Madura, J. (2001). ***Financial Markets and Institutions***. New Jersey: Thomson South-Western.

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Rose, P.S. and Marquis, M.H. (2006). ***Money and Capital Markets, Financial Institutions and Instruments in a Global Marketplace***. New York: McGraw-Hill Irwin.

Supplementary Readings

Fabozzi, F.J., Modigliani, F., Jones, F.J. and Ferel, M.J. (2006). ***Foundation of Financial Markets and Institutions***. New Delhi: Pearson Education.

Hadjimichalakis, M.G. and Karma, G.H. (2006). ***Contemporary Money, Banking and Financial Markets***. Chicago: Richard D. Irwin Inc.

Johnson, H.J. (2004). ***Financial Institutions and Markets: A Global Perspective***. New Delhi: Tata McGraw Hill.

Kidwell, D.S. and Blackwell, D.W. (2000). ***Financial Institutions, Market and Money***. New York: The Dryden Press, Harcourt College Publishers.

Kohn, M. (2007). ***Financial Institutions and Markets***. New Jersey: Oxford University Press.

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Saunders, A. and Kornett, M.M. (2007). ***Financial Markets and Institutions***. New Delhi: Tata McGraw Hill Publishing Company.

Shrestha, M.K. (1989). ***Shareholder's Democracy and Annual General Meeting Feedback***. Kathmandu: Ratna Pustak Bhandar.

Shrestha, M.K. (1995). ***Finance Companies in Nepal***. Kathmandu: Ratna Pustak Bhandar.

Shrestha, M.K. and Bhandari, D.B. (2008). ***Financial Markets and Institutions***. Kathmandu: Asmita Publication.

Shrestha, M.K. and Gurung, R. (2008). ***Financial Institutions and Markets***. Kathmandu: Benchmark Education Support (P) Ltd.

Shrestha, S. (1992). ***Portfolio Behaviour of Commercial Banks in Nepal***. Kathmandu: Mandala Book Point.

Thapa, K. (2009). ***Financial Institutions and Markets***. Kathmandu: Asmita Books Publisher and Distributors (P) Ltd.

Thygerson, K.J. (1992). ***Financial Markets and Institutions***. New York: Harper Collins College Publishers.

Multinational Corporate Finance

Course Title: ***Multinational Corporate Finance***
Course No: FIN 635 *Full Marks: 100*
Nature of the Course: Specialization *Pass Marks: 40*
Duration of the Course: 100 Lecture hours
Duration of the Class: 60 minutes

Course Objectives

The objective of this course is to provide the students with a conceptual framework within which the key financial decisions of the multinational firm can be analyzed, and familiarize them with tools and techniques there-of thus developing skills in decision making process in an international context as well as in Nepalese context.

Course Description

This course provides a broad overview of multinational enterprises, international monetary environment, foreign exchange rate determination, foreign exchange market, transaction exposure, operating exposure, accounting exposure, global cost of capital, sourcing equity globally, sourcing debt globally, and multinational capital budgeting. The course also provides the overview of these topics in the context of Nepal.

Course Contents

Unit 1: Introduction **LH 5**

Rise of multinational corporation, Process of overseas expansion, foreign exchange risks: political risk, macro and micro risks; goal of management: shareholder wealth maximization model versus corporate wealth maximization model, universal truth versus culturally determined norms, operational goals for multinational enterprises, a rational for the existence or motives of the multinational firm.

Unit 2: International Monetary Environment **LH 15**

Currency terminologies: exchange rate, spot exchange rate, forward rate, forward premium or discount, devaluation, weakening of currency, soft or weak currency, eurocurrencies; History of International Monetary System: the gold standard, interwar years and world war II, Bretton Woods and IMF, Fixed Exchange Rates 1945 – 1973, an eclectic currency arrangement, 1973 – present; contemporary currency regimes: exchange arrangements, currency board, fixed peg,

pegged rate within horizontal bands, crawling pegs, crawling bands, managed floating, independent floating; fixed versus flexible exchange rates; attributes of the ideal currency; the birth of a global currency: The Euro; emerging market crises: The Asian Crisis.

Unit 3: Foreign Exchange Rate Determination LH 15

Potential foreign exchange rate determinants, the balance of payment approach, managerial significance; parity conditions, prices, interest rates and exchange rates in equilibrium, prices and exchange rates, purchasing power parity and the law of one price, exchange rate indices, exchange rate pass-through; interest rates and exchange rates, international fisher effect, interest rate parity, covered interest arbitrage equilibrium between interest rates and exchange rates.

Unit 4: Foreign Exchange Market LH 15

Geographical extent of the foreign exchange market, functions of foreign exchange market, market participants, size of the market, transactions in the interbank market: spot transactions, outright forward transactions, swap transactions; foreign exchange rate and quotations: interbank quotations, direct and indirect quotes, bid and offer quotations, expressing forward quotations on a point basis, forward quotations in percentage terms, reading newspaper quotations, cross rates, inter-market arbitrage, measuring a change in spot exchange rates; foreign currency futures, contract specifications foreign currency futures versus forward contracts.

Unit 5: Transaction Exposures LH 5

Types of foreign exchange exposures, measurement of transaction exposure, purchasing or selling on open credit, borrowing and lending, other causes.

Unit 6: Operating Exposure LH 10

Attributes, operating and financing cash flows, expected versus unexpected changes in cash flow, measuring the impact of operating exposures, base case, no change in any variable, volume increases, sales price increases, other possibilities, measurement of loss, managing operating exposure at the strategic level through diversification; Managing operating exposure by changing operating policies: using leads and lags, requiring customers to share the risk through currency clauses, using a reinvoicing center; Managing

operating exposure by changing financing policies: natural hedging, back-to-back loans, currency swaps.

Unit 7: Accounting Exposure **LH 5**

Overview of translation, affiliate characterization, functional currency; Translation methods: current rate method, temporal method, US translation procedure, international translation practice, current rate and temporal translation example.

Unit 8: Global Cost of Capital **LH 5**

The demand for foreign securities: the role of international portfolio investment, portfolio composition, Illustrative case: Nestle, Link between cost and availability of capital, improving market liquidity, market segmentation, measures of market liquidity and segmentation, financial structure, systematic risk and the cost of capital for multinational enterprises.

Unit 9: Sourcing Equity Globally **LH 10**

Designing a strategy to source equity and debt globally: alternative paths, depositary receipts; where should a firm crosslist and raise equity on a foreign market?, improving liquidity, size of the market, semi-liquid and least liquid markets, availability of capital and market depth, the New York Stock Exchange and London Stock Exchange, favorable effect on share price, barriers to listing and selling equity abroad, alternative instruments to source equity in international markets.

Unit 10: Sourcing Debt Globally **LH 10**

Debt management and funding goals, currency matching, foreign exchange risk and the cost of debt; International debt markets: Instruments choices, eurocurrencies, international bank loans, Curocredits, syndicated credits; The euronote market: euro-commercial paper, euro-medium term notes; international bond market: eurobond market, straight fixed rate issue, floating-rate note, equity related issue, characteristics of eurobond markets, rating of eurobonds and other international issues.

Unit 12: Multinational Capital Budgeting **LH 5**

Foreign complexities, project versus parent valuation, illustrative case: Cemex 'A'.

Basic References

Eiteman, D.K., Arthur, I.S. and Moffett, M.H. (2001). ***Multinational Business Finance***. New York: Pearson Education.

Madura, J. (2001). ***International Financial Management***. Minnesota: Western Publishing Corporation, St. Paul.

Shapiro, A.C. (1996). ***Multinational Financial Management***. New Delhi: Prentice Hall of India Pvt. Ltd.

Supplementary Readings

Adrian, B. (1996). ***Multinational Finance***. New Delhi: Prentice Hall Inc.

Baker, J.C. (1994). ***International Finance***. New Jersey: Prentice Hall Inc.

Jain, P.K., Peyrard, J. and Yadav, S. (2004). ***International Financial Management***. New Delhi: MacMillan India Ltd.

Mark, E., Frank, F. and Dwight, M.G. (1995). ***International Corporate Finance***. Texas: The Dryden Press.

Maurice, D.L. (2000). ***International Finance***. New Jersey: McGraw Hill.

Maximo, V.E., Francis, A.L. and Lawrence, J.M. (1992). ***Global Finance***. New Delhi: Harper Collins Publishers.

O'Brien, T.J. (1996). ***Global Financial Management***. New York: John Wiley and Sons Inc.

Assets Management

Course Title: ***Assets management***
Course No: FIN 636 *Full Marks: 100*
Nature of the Course: Specialization *Pass Marks: 40*
Duration of the Course: 100 Lecture hours
Duration of the Class: 60 minutes

Course Objectives

The course intends to provide the students a detail insight into the theory and practices of assets management for business and to develop a clear understanding of various tools required for financial decision making in the context of Nepal.

Course Description

This course provides the broad overview of types of assets, risk analysis and utility theory, portfolio analysis and management, capital budgeting and risk analysis, risk and real option in capital budgeting, working capital management and management of each component of current assets.

Course Contents

Unit 1: Introduction **LH 3**

Meaning of assets; Types of assets: real and financial, current and fixed; Commodity Future Market; significance of assets management for business.

Unit 2: Risk Analysis and Utility Theory **LH 15**

Risk and uncertainty; Investment returns; Stand-alone risk; Types of risk; Use of Probability distribution; Measuring expected risk and return; The characteristic line; Coefficient of variation; Portfolio risk; Efficient Frontier; Risk in an efficient market: Efficient portfolio; Risk and risk taker; Utility theory; Risk return indifference curve; Investor preference and Portfolio selection.

Unit 3: Portfolio Analysis and Management **LH 15**

Markowitz model and the efficient frontier; Two assets case and multi assets case; The market model; Capital assets pricing model; Systematic and unsystematic risk; CAPM vs Market model; Capital market line and efficient frontier; Risk aversion; Optimum portfolio

between risk free asset and risky portfolio; use of CAPM in valuing the project.

Unit 4: Capital Budgeting and Risk Analysis **LH 10**

Overview of capital budgeting and decision rules; Expansion projects with and without inflation; Project risk analysis; Techniques for measuring stand-alone risk; Project risk calculation.

Unit 5: Risk and Real option in Capital Budgeting **LH 15**

Quantifying risk: assumption of independent cash flows, dependence of cash flows over time; Total risk for multiple investments; Real options in capital investments: option to expand, decision tree in capital budgeting; Option to abandon; Option to postpone.

Unit 6: Working capital management **LH 8**

Nature and components of working capital; Working capital policies; Risk return trade off of working capital policy; Planning for working capital; Working capital and inflation; Operating environment of working capital; Determination of working capital.

Unit 7: Cash Management **LH 10**

Nature, techniques and need of cash management; Determinants of cash flows; Cash forecasting; Cash budgeting; Cash management models: Inventory model including opportunity to borrow and stochastic model; Comparison of the models.

Unit 8: Receivable Management **LH 12**

Nature and need of accounts receivable management; Credit policy and its elements; Monitoring receivables; Aging schedule; Evaluation of credit policies; Discriminant analysis.

Unit 9: Inventory Management **LH 12**

Nature and need of inventory management; Inventory model: Economic order quantity; Quantity discounts and sensitivity of EOQ model; Lead time; Re-order level; Re-order level and goods in transit; EOQ and inflation; Uncertainties and safety stock when stock out cost is known and unknown; EOQ model and simultaneous production and sales; Using EOQ model when cost information is not available.

Basic References

Brigham, E.F. and Ehrhardt, M.C. (2007). ***Financial Management: Theory and Practice***. USA: Thompson South-Western.

Weston, J.F. and Brigham, E.F. (1982). ***Managerial Finance***. New York: The Dryden Press.

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Bierman, H.Jr. and Smidt, S. (1992). ***Principles of Corporate Finance***. New Delhi: McGraw Hill Book Company.

Brealey, R. and Stewart, M. (2002). ***Principles of Corporate Finance***. New Delhi: McGraw Hill Book Company.

Brigham, E.F. and Louis, C.G. (2001). ***Financial Management: Theory and Practice***. New York: The Dryden Press.

Gitman, L.J. (2005). ***Principles of Managerial Finance***. New Delhi: Pearson Education, Pte. Ltd.

Van Horne, James C. (1998). ***Financial Management and Policy***. New Delhi: Prentice Hall of India.

Weston, J.F. and Thomas E.C. (1992). ***Managerial Finance***. New York: The Dryden Press.

Services Marketing Strategies

Course Title: ***Services Marketing Strategies***
Course No.: MKT 641
Nature of the course: Specialization *Full Marks: 100*
Duration of the course: 100 Lecture hours *Pass Marks: 40*
Duration of the class: 60 minutes

Course Objective

This course aims to provide students with the knowledge and skill in implementing service marketing strategies. It also deals with the specific issues of marketing of services in Nepal.

Course Description

This course deals in the formulation and implementation of service marketing strategies. It includes a study of the unique nature of service products and service marketing, customers' expectations and perceptions of service, service marketing research, relationship marketing and service recovery, formulation and implementation of service marketing strategies, and service marketing environment in Nepal.

Course Contents

Unit 1: Introduction **LH 10**

Concept and nature of service products. The tangibility component in services. Service industry in the 21st century. Importance of service marketing. Service and technology. Services marketing mix.

Unit 2: Customer Expectations of Service **LH 10**

Concept and types of expectations. Levels of expectations and zone of tolerance. Factors influencing customer expectations. Managing unrealistic expectations, delighting customers, raising expectations, and meeting expectations.

Unit 3: Customer Perception of Service **LH 20**

Concept. Determinants of perception: satisfaction, quality of service, transaction perception, cumulative perception. Customer satisfaction determinants. Approaches and dimensions of service quality. Service gaps model. Improving service quality. Service encounters: importance and types of encounters; pleasure and displeasure in service

encounters; and technology-based service encounters. Evidences of services.

Unit 4: Service Marketing Research **LH 10**

Research for understanding customer expectations. Elements of effective service marketing research. SERVQUAL instrument. Methods of service marketing research.

Unit 5: Relationship Marketing and Service Recovery **LH 20**

Concept and importance of relationship marketing. Relationship marketing goals. Relationship value of customers. Relationship development strategies. Service failures and recovery. Customer response to service failures. Customers' recovery expectations. Service recovery strategies. Use of service guarantees.

Unit 6: Service Marketing Strategy **LH 25**

Service life cycle. Service positioning. New service development process. Service blueprinting and quality function deployment. Physical evidences and servicescape: types and tools. Delivery of services: Service marketing triangle; service delivery through intermediaries; service franchising; role of agents and brokers; and e-channels. Integrated service marketing communications: managing service promises, customers' expectations, customer education, internal marketing communication. Pricing issues for services: uniqueness in service pricing; approaches to service pricing. Process: technological development, and atmospherics.

Unit 7: Service Marketing in Nepal **LH 5**

Service marketing environment in Nepal. Nature of service products. Growth of the service sector. Problems of service marketing. Service marketing challenges and potential in Nepal.

Basics References

Palmer, A. (2001). ***Principles of Service Marketing***. New Delhi: McGraw Hill Companies.

Zeithamal, V.A., Bitner, M.J., and Gremler, D.D. (2005). ***Service Marketing***. New Delhi: McGraw Hill Higher Education.

Supplementary Readings

Balaji, B. (2008). ***Service Marketing and Management***. New Delhi: S. Chand & Co. Ltd.

Lovelock, C. (1981). ***Services Marketing***. New Delhi: Pearson Education Asia.

Woodruffe, H. (1998). ***Services Marketing***. New Delhi: Financial Times / Prentice Hall.

Consumer Behavior

Course Title: ***Consumer Behavior***
Course No.: MKT 642
Nature of the course: Specialization *Full Marks: 100*
Duration of the course: 100 Lecture hours *Pass Marks: 40*
Duration of the class: 60 minutes

Course Objective

This course aims to provide knowledge and skill to students in the area of consumer behavior with the aim of developing an analytical perspective for formulating marketing plans and programs.

Course Description

This course deals on the theoretical aspects of consumer behavior and their implications for marketing strategy, planning and decision making in private, public and non-profit sectors. It includes the concept of behavior modeling and theory development in consumer behavior research, the consumer decision process, and individual, social and cultural determinants of consumer behavior.

Course Contents

Unit 1: Introduction **LH 5**

Nature and concept of consumer behavior analysis. Reasons for the study of consumer behavior. Application of consumer behavior knowledge in marketing.

Unit 2: Behavioral Science Methodology and Consumer Behavior Models **LH 20**

Historical perspectives on consumer research. Behavioral science foundations for consumer behavior. Behavior modeling: models, types, uses and development of theories for consumer behavior analysis. Models of consumer behavior: economic models-micro and macro perspectives and behavioral economics model; contemporary models: Nicosia model, Howard-Seth model, and Engel-Blackwell and Miniard model.

Unit 3: Consumer Decision Process **LH 20**

Problem solving approach to consumer decision making: high involvement and low involvement situations; RPS, LPS and EPS modes. Problem recognition: situations leading to problem

recognition; problem recognition in low-involvement situation. Information search: internal, external, passive and active information search; extent and pattern of information seeking. Evaluation: evaluative criteria. Choice: decision rules in high-involvement and low involvement situations; experiential choice processes; choice among non-comparable alternatives; store choice. Post-acquisition phase: consumption and use behavior; satisfaction and dissatisfaction; consumer complaint behavior; product disposition.

Unit 4: Individual Determinants of Consumer Behavior LH 30

Motivation: concept and nature of motivations; systems of needs; motive structuring and arousal; measurement of motives; motivation research. Learning: concept and types of learned behavior; behavioral and cognitive learning theories. Memory: types and process, knowledge and forgetting. Brand loyalty and brand equity. Storage patronage. Perception: concept and process of perception. Perceptual selection, organization and interpretation. Consumer imagery. Personality and Psychographics: nature of personality; personality theories; self-concept: types of self-image; product symbolism; measurement of self-concept and product image. Consumer life-styles: concept and measurement. Attitude: nature and functions of attitude; structural models of attitude; attitude formation and change; cognitive dissonance and attribution theories; congruity and balance theories; Multi-attribute models: attitude toward the object model; behavioral intention model; role of communication in persuasion and attitude change.

Unit 5: Socio-environmental Determinants of Consumer Behavior LH 25

Group: types of groups, group influence on consumer behavior; group shifts, social traps and fences. Diffusion process: diffusion of innovations, rumors and consumer crowd behavior. Family: functions of family; family decision making; family life cycle. Reference group; role of reference groups and opinion leadership in consumer buying decisions; consumer conformity; application of reference group concept in marketing. Social Class: social class categories; measurement of social class; social class mobility; affluent and non-affluent consumer behavior; and consumer behavior applications of social class. Culture: characteristics, measurement and influence of culture on consumer behavior.

Basic References

Louden, D.L. and Della Bitta, A.J. (1998). ***Consumer Behavior: Concepts and Applications***. New Delhi: McGraw Hill.

Mowen, J.C. and Minor, M. (2000). ***Consumer Behavior***. New Delhi: Prentice Hall.

Schiffman, L.G. and Kanuk, L.L. (1998). ***Consumer Behavior***. New Delhi: Pearson Education, Prentice Hall.

Supplementary Readings

Engles, J.F., Blackwell, R.D. and Minnard, P.W. (1997). ***Consumer Behavior***. New York: The Dryden Press.

Myers, J.H. and Reynolds, W.R. (1967). ***Consumer Behavior and Marketing Management***. Houghton Miffin Co.

Marketing Research

Course Title: ***Marketing Research***
Course No.: MKT 643
Nature of the course: Specialization *Full Marks: 100*
Duration of the course: 100 Lecture hours *Pass Marks: 40*
Duration of the class: 60 minutes

Course Objective
The course aims to equip the students with knowledge and skills required for conducting marketing research.

Course Description
This course includes the description of the marketing research organization and process, research designs, data collection methods and tools, sampling, data analysis, report preparation and presentation, and application of research in the areas of market segmentation product development, advertising, sales, attitude and psychographics.

Course Contents
Unit 1: Introduction **LH 10**
Concept and development of marketing research. Marketing information system. Role of research in marketing management. Organization of marketing research. Scientific and non-scientific methods. Applying scientific methods in marketing research. Overview of the marketing research process.

Unit 2: Research Design **LH 15**
Exploratory research design: use and design of exploratory studies. Descriptive studies: types of descriptive studies and their use. Experimental designs: types and uses in marketing research.

Unit 3: Sampling and Data Collection **LH 15**
The sampling process and methods. Secondary data: Nature and use of secondary data. Primary data: observation and questionnaire survey. Questionnaire design process. Pre-testing, editing and coding. Administration of personal and telephone interviews. Fieldwork planning and organization. Tabulation of data.

Unit 4: Data Analysis and Reporting **LH 25**
Descriptive, inferential, logical, comparative analysis and statistical analysis. Test of hypotheses. Measures of association. Factor analysis;

Cluster analysis; Conjoint analysis and discriminant analysis. Preparation and presentation of oral and written reports. Report formats.

Unit 5: Research for Market Segmentation **LH 10**

Descriptors for consumer and industrial market segmentation. Segmentation models; a priori segmentation; cluster-based segmentation; benefit segmentation and attractiveness criteria. The research process for segmentation.

Unit 6: Product Research **LH 5**

Developing product specifications. Product concept test. Name and Package Test. Product test. Test marketing and its evaluations. Brand image research.

Unit 7: Advertising Research **LH 5**

Copy testing research. Media research. Measurement of advertising effectiveness.

Unit 8: Sales Research **LH 5**

Market potential analysis. Sales analysis. Sales forecasting methods.

Unit 9: Attitude and Psychographic Research **LH 10**

Methods of collecting attitude data. Multidimensional scaling of preferences and perceptions. Tools and techniques of motivation research. Personality measurement instruments.

Basic References

Boyd, H.W., Westfall, R. and Stahch, S.F. (1998). ***Marketing Research: Text and Cases***. Homewood, Illinois. Richard D Irwin Inc.

Luck, D.J. (2007). ***Marketing Research***. New Delhi: Prentice Hall of India Pvt. Ltd.

Supplementary Readings

Green, P.E., Tull, S.D. and Albaum, G. (1998). ***Research for Marketing Decisions***. Englewood Cliffs, New Jersey: Prentice Hall International Inc.

Malhotra, N.K. (2004). ***Marketing Research***. New Delhi: Prentice Hall of India.

Tull, D.S. and Hawkins, B.I. (1993). ***Marketing Research: Measurement and Method***. New Delhi: Prentice Hall of India.

Global Marketing

Course Title: ***Global Marketing***
Course No.: MKT 644
Nature of the course: Specialization *Full Marks: 100*
Duration of the course: 100 Lecture hours *Pass Marks: 40*
Duration of the class: 60 minutes

Course Objectives
This course aims to provide students with the knowledge for analyzing the challenges of global marketing and make them able to design marketing strategies in the global context.

Course Description
This course deals with the strategic issues of global marketing and includes issues of the nature and challenges of global marketing, analysis of the global marketing environment and global customers, global marketing research, and design and implementation of the global marketing strategies.

Course Contents
Unit 1: Introduction **LH 12**

Concept and nature of global marketing. Importance of global marketing. Management orientations in global marketing. Driving and restraining forces affecting global integration and marketing.

Unit 2: Global Marketing Environment **LH 28**

Economic environment: Overview of the world economy. Economic systems: capitalist, socialist, mixed. Stages of market development and economic development. Global patterns in balance of payments and trade, and trade alliances. Emergence of WTO in global trade. Regional economic cooperations: EU, BIMSTEC, APEC, ASEAN, and SAFTA.

Social and Cultural Environment: Aspects of society and culture. Analysis of cultural factors: needs, cultural typology, self-reference criterion and perception, and environmental sensitivity. Impact of socio-culture in marketing of industrial and consumer products. Cross cultural complications and their management.

Political and Legal Environment: Sovereignty, political risks, taxes and equity control. International legal systems: common and code law. Business issues related to law: bilateral and multilateral treaties, intellectual property rights, antitrust laws, licensing, bribery and corruption. Dispute resolution in global marketing. Regulatory environment: WTO and its role.

Unit 3: Global Customers **LH 12**

Characteristics of the regional markets: Western Europe, Eastern and Central Europe, North America, Latin America, Middle-East, and Asia Pacific: China, India, and Japan. Global buying decisions: customer value and value equation, and diffusion innovations in the global market.

Unit 4: Global Marketing Research **LH 8**

Global information systems. Sources of information. Marketing research process in global markets. Estimating market demand.

Unit 5: Global Marketing Strategies **LH 40**

Planning for global markets. Alternative market-entry strategies. Product developments for global markets: issues of brand management, quality, diffusion of innovations, product adaptations, packaging and green marketing. Global product positioning. Global distribution: channel structures, e-marketing, middlemen choices and motivations. Global promotional challenges. Creative challenges in advertising. Pricing for global markets: pricing approaches, price escalation and its management, dumping and counter trade.

Basic References

John, D.D., Radobaugh, L.H. and Sullivan, D.P. (2002). ***Globalization and Business***. New Delhi: Prentice Hall.

Warren, J.K. (2002). ***Global Marketing Management***. New Delhi: Pearson Education India.

Supplementary Readings

Philip, R.C. and Graham, J.L. (2002). ***International Marketing***. New Delhi: Tata McGraw Hill Publishing Company Limited.

Terpstra, V. and Sarathi, R. (2000). ***International Marketing***. Harcourt Brace & Co. Asia Pte. Ltd.

Strategic Brand Management

Course Title: ***Strategic Brand Management***
Course No.: MKT 645
Nature of the course: Specialization *Full Marks: 100*
Duration of the course: 100 Lecture hours *Pass Marks: 40*
Duration of the class: 60 minutes

Course Objectives

This course aims to develop students' knowledge and skill in brand management with a special focus on brand-building in the competitive and market-driven business environment.

Course Description

This course is designed to develop students to become effective brand managers. The course includes concept and challenges of brand management, brand equity, positioning and values, designing brand marketing programs and strategies, brand research, and strategies for sustaining brand equity.

Course Contents

Unit 1: Introduction **LH 10**

Concept of brand and branding. Importance of branding to consumers and firms. Branding challenges and opportunities. Concept of brand equity. The strategic brand management process.

Unit 2: Brand Equity, Positioning and Values **LH 20**

Customer based brand equity. Sources of brand equity. Brand building blocks. Brand positioning: Identifying target market, competition, and points of parity and points of differences. Brand positioning guidelines. Brand values: core brand values, brand mantras, and internal branding.

Unit 3: Brand Marketing Programs and Strategies **LH 30**

Brand elements: criteria for choosing brand elements. Options and tactics for brand elements. Strategies for building brand equity: product strategy, pricing strategy, and channel strategy. Marketing communication programs to build brand equity. Leveraging secondary associations to build brand equity.

Unit 4: Measuring Brand performance **LH 20**

Brand value chain. Brand tracking studies. Qualitative tools for brand effectiveness measurement. Quantitative research techniques to measure brand effectiveness. Applying comparative methods and holistic methods to measure brand outcomes.

Unit 5: Sustaining Brand Equity **LH 20**

Brand product matrix. Brand hierarchy. New product branding strategy. Brand extension strategy. Managing brands over time: brand reinforcement, revitalization, and brand portfolio adjustment. Multi brand limitations, and merging of two brands.

Basic References

David, A.A. (1991). ***Managing Brand Equity: Capitalizing on the Value of a Brand Name***. Free Press.

Kevin, L.K. (2007). ***Strategic Brand Management: Building, Measuring and Managing Brand Equity***. New Delhi: Prentice Hall.

Supplementary Readings

Jean, N.K. (2004). ***Strategic Brand Management***. New Delhi: Kogan Page India Private Limited.

Thomas, G. (2001). ***4-d Branding***. New Delhi: Pearson Education Limited.

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