

# Faculty of Management

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 to an increase in the knowledge and understanding of business and public administration. FOM aims to develop a networking with management institutes in the country and abroad to exchange new knowledge, technology, and methods of 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 **dynamic and cutting edge multidisciplinary disciplines such as:** Bachelor of Business Administration (BBA), Bachelor of Information Management (BIM), Bachelor of Business Management (BBM), Bachelor of Public Administration (BPA), Bachelor of Hotel Management (BHM), Bachelor of Travel and Tourism Management (BTTM), Bachelor of Business Administration in Finance (BBA-F), Bachelor of Business Studies (BBS - 4 year annual system) , Post Graduate Diploma in Police Sciences (PGDPS), Master of Business Administration (MBA), Master of Business Administration in Information (MBA-IT), Master of Business Management (MBM), Master of Public Administration (MPA), Master of Hospitality Management (MHM), Master of Travel and Tourism Management (MTTM), Master of Business Administration in Global Leadership and Management (MBA-GLM), Master of Finance and Control (MFC), Master of Business Studies (MBS) and The FOM also offers Master of Philosophy in Management (M. Phil.) and doctoral program in management leading to a Degree of Doctor of Philosophy (Ph.D.)

## FOM's GOALS

- Prepare professional managers capable of handling business in a dynamic global environment.
- Produce socially responsible and creative entrepreneurs capable of promoting business and industry for the socio-economic development of Nepal.
- Conduct research and management development programs for updating the knowledge and skill base of academics and practicing managers.
- Innovate and promote management programs catering to the various social and economic sectors of Nepal.
- Establish linkages with leading universities and management institutes abroad and collaborate with them in program development and implementation.

# **Bachelor of Business Studies (BBS)**

## **Programme Objective**

The objective of the BBS programme at the FOM is to develop students into competent managers for any sector of organized activity. The programme is based on the principle that graduates will spend a major portion of their life in a constantly changing environment. Therefore, the student should have an opportunity to obtain a broad knowledge of the concepts and reality- based skills underlying the operation and management of organizations.

Upon graduation, students should be equipped to function as a manager in business, industry and government. The graduate should also have a variety of career opportunities in different sectors of business including entrepreneurship and create much needed jobs for others.

## **The BBS programme specially attempts to:**

1. Equip the students with the required conceptual knowledge of business and administration to develop a general management perspective in them.
2. Develop required attitudes, abilities and practical skill in students, which constitute a foundation for their growth into competent and responsible business managers.
3. Encourage entrepreneurial capabilities in students to make them effective change agents in the Nepalese society.
4. Develop necessary foundation for higher studies in management and thereafter take up careers in teaching, research and consultancy.

## **Curricular Structure**

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

1. A strong foundation allied areas of business such as language, economic analysis, legal environment and quantitative method to prepare graduates to understand, analyze and comprehend the management concepts, theories and practices.
2. Core business studies encompassing and integrating all functional areas to provide graduates with and appreciation of the diversity and inter-relationship of business and management issues.
3. The opportunity to concentrate in one area of specialization such as accounting, finance, human resources management and marketing in order to provide graduates with some degree of functional expertise.

## **Course Composition**

### **Compulsory Courses**

MGT 201: Business English

MGT 202: Business Statistics

**MGT 207: Microeconomics for Business**

MGT 204: Business Law

MGT 205: Business Communication

MGT 209: Macroeconomics for Business

### **Core Courses**

MGT 211: Financial Accounting and Analysis

MGT 212: Cost and Management Accounting

MGT 213: Principles of Management

MGT 214: Fundamentals of Marketing

MGT 215: Fundamentals of Financial Management

**MGT 223: Organizational Behavior & Human Resource Management**

MGT 217: Business Environment and Strategy

MGT 224: Taxation in Nepal

MGT 225: Entrepreneurship

MGT 221: Business Research Methods

MGT 226: Foundation of Financial Systems

### **Concentration Area**

(Three courses from any one of the following five functional areas)

#### **Accounting**

ACC 250: Accounting for Banking

ACC 251: Accounting for Business

ACC 252: Advanced Financial Accounting

ACC 255: Auditing

ACC 256: Advance Cost and Management Accounting

#### **Finance**

FIN 250: Fundamentals of Corporate Finance

FIN 251: Commercial Bank Management

FIN 255: Management of Financial Institutions

FIN 253: Fundamentals of Investment

FIN 254: Insurance and Risk Management

## **Marketing**

- MKT 250: Fundamentals of Selling
- MKT 251: Customer Relationship Management
- MKT 252: Foreign Trade and Export Management in Nepal
- MKT 253: Fundamentals of Advertising
- MKT 254: Fundamentals of Services Marketing

## **Management**

- MGT 251: International Business
- MGT 256: Small and Medium Enterprises
- MGT 257: Event Management
- MGT 258: Project Management
- MGT 259: Technology & Information Management

## **The First Year Programme**

The purpose of the first year programme is to build a strong foundation in students to prepare them to comprehend the business concepts, theories and practices. The first year programme is organized into the following compulsory and core courses:

### **First Year (500)**

MGT 201: Business English	100
MGT 202: Business Statistics	100
MGT 207 : <b>Microeconomics for Business</b>	100
MGT 211 : <b>Financial Accounting and Analysis</b>	100
MGT 213: Principles of Management	100

## **The Second Year Programme**

The purpose of the second year programme is to provide basic concepts, tools and understanding of the foundation and core courses. The foundations courses are required to develop understand business practices. The core courses provide essentials of learning which are basic in the broad area of business studies. The second-year programme is therefore organized into the following core and compulsory courses:

### **Second Year (500)**

MGT 205: Business Communication	100
MGT 209: Macroeconomics for Business	100
MGT 212: Cost and Management Accounting	100
MGT 223: Organizational Behavior & Human Resource Management	100
MGT 215: Fundamentals of Financial Management	100

### **The Third Year programme**

The purpose of the third year programme is to provide basic concepts, tools and understanding of the fundamentals of business studies. The core courses provide essentials of learning which are basic to understand broader area of business studies. The third programme is therefore organized into the following core and compulsory courses:

#### **Third Year (500)**

MGT 204: Business Law	100
MGT 226 : Foundation of Financial Systems	100
MGT 217: Business Environment and Strategy	100
MGT 224 : Taxation in Nepal	100
MGT 214: Fundamentals of Marketing	100

### **The Fourth Year Programme**

In fourth year, the students are encouraged to focus on a particular functional and concentration area of business studies. Building on the foundation laid in the first, second and third years, the principal mission of the fourth year twofold:

- 1) To enable the students to concentrate in one functional areas of business. FOM offers four stream of concentration courses:
  - a) Accounting
  - b) Finance
  - c) Management
  - d) Marketing
- 2) To provide opportunity to students to engage in research and final project presentation.

#### **Fourth Year (500)**

MGT 225: Entrepreneurship	100
Concentration I	100
Concentration II	100
Concentration III	100
MGT 221: Business Research Methods	50
MGT 401: Final Project	50

### **Eligibility Conditions for Admission**

The candidate applying for admission to the BBS programme:

1. Must have successfully completed the 10+2 in business/ commerce or an equivalent course from a Higher Secondary School Board or from Tribhuvan University or from other University/ Board recognized by T.U
2. Must satisfy any other entry requirements or criteria as prescribed by the Faculty Board or the campus.

### **Final Project Work**

The education of future manager will be incomplete without exposure to organizational reality. Therefore, the final project work is made an essential academic requirement for the fourth year students in all concentration courses. To write a project work students will undergo a field work and spend four weeks studying and learning from the organization during the time fixed by the campus/college. After the field work, the student will write a project report on the format prescribed by the FOM and submit it to the college/campus for evaluation. The student may also be asked to present the report to the general class and/ or faculty members. The evaluation of the report will be made by a team of external and internal examiners appointed by the by the Research committee of the respective campus/ college. The final viva-voce examination will be conducted by Research committee of the concerned campus/ college. After the completion of the project report will be submitted to the Office of Controller of examinations (Balkhu) for final scrutiny.

A student will have to pass the theoretical, practical and project work examinations separately in all the courses having theoretical, project work and or practical components.

### **Minimum General Requirements**

The minimum general requirement for the 4 - year BBS 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. The total instructional hours in an academic year will be 615 (150 day \*4:10 hours a day).
3. A paper of 100 marks will have 150 lectures each of 50 minutes. However for practical works, extra class hours will be required as fixed by the Faculty Board.
4. There will be a minimum of five periods (i.e class hours) each teaching day. The campus/college running morning or evening shifts will also be required to meet this minimum class requirement.

### **Attendance, Evaluation and Grading System**

The final evaluation of students is done through the annual examination conducted by the office of the Controller of Examinations, Tribhuvan University. However for qualifying to appear in the annual examinations, students must meet the following requirements:

- a) The student must have a minimum of 70 percent attendance of the classes actually held.
- b) No student will be allowed to appear in the second year final examinations without first appearing in the first year final examinations.

The grading system in the annual examinations is as follows:

Third Division	35 percent
Second Division	45 percent
First Division	60 percent
Distinction Division	75 percent

### **Methods of Instruction**

The campuses offering the BBS programme should use the methods of instruction which help prepare the student for the realities of Nepalese business, industry and government in which he/she has to work. A combination of lecture, group discussions, problem- solving exercises, guest lectures, practical work, and project work will be used as approaches to learning. The campuses are also encouraged to use the case method of instruction whenever required and wherever possible.

### **Graduation Requirements**

The BBS programme extends over four academic years and the BBS degree is awarded on its successful completion. All candidates for BBS degree must fulfill the following requirements:

1. The successful completion of 19 courses of 1950 marks and submit a final project report of 50 marks as prescribed with passing grades in all the courses.
2. The passing scores obtained in all theory and practical components of the courses separately.
3. Completion of courses for the fulfillment of BBS programme must occur within the time limit as prescribe by Tribhuvan University.

## ***Business English-I***

*Level: BBS First Year*

*Course No.: MGT: 201*

*Nature of the Course: Compulsory English*

*Lecture hours: 150*

*Full Marks: 100*

*Pass Marks: 35*

### **Course Description**

This course, through spotlight on building business language competence and improving reading and writing skills, helps students become successful communicators in business situations. It makes use of three-pronged approach to enable them to hone their grammar and mechanics, and critical reading and writing skills.

### **Objective**

The objective of this course is to help students use their general English skills in interdisciplinary contexts with lessons covering vocabulary and grammar exercises. It also aims to broaden students' literary readings in order to enrich their linguistic competence, comprehension ability, writing and presentational skills in business domain.

### **Course Outcome**

The following objectives specify that the business students, at the conclusion of the course, should be able to:

- improve linguistic competence at lexical, structural/ grammatical levels
- comprehend literary texts and writing modes
- produce correct sentences, cohesive paragraphs and organized texts
- respond the literary and business readings critically and analytically
- boost competence towards global understanding thereby strengthening their confidence in using English in professional and social scenarios

### **Unit 1: Grammar and Writing Mechanics**

**15 marks (22 Hrs.)**

Sentences: Elements, Varieties, Patterns, Types, Faults; Nouns, Pronouns and Antecedents; Verbs, Tenses, Subject-Verb Agreement; Modifier and Connector: Modifiers, Prepositions, Conjunctions; Mechanics: Punctuation, Capitalization, Numbers

### **Unit 2: Using the Business language**

**5 marks (7 Hrs.)**

Fundamentals of language; Language and Meaning; Language, Society and Culture; Stylistic Features; Functions of Language Using Language Effectively; Strong Words; Coherent Paragraphs; Commonly Confused Words

### **Unit 3: Business Vocabulary**

**5 marks (7 Hrs.)**

Importance of Business vocabulary; Vocabulary in Use; Business Specific Terminologies, Idioms and Expressions; Vocabulary in Communication Situations; Vocabularies in Writing Situation; Vocabularies in Speaking Situation; Ways to Improve Business Vocabulary



**Unit 4: Business Communication Messages****5marks (7 Hrs.)**

Written; Oral; Visual Messages; Electronic Messages; Nonverbal messages

**Unit 5: Business Writing****15 marks (22 Hrs.)**

Brochures: Guidelines and Instructions; Media Stories, Releases and Advertisements: Media Stories, News Reports; Articles and Stories; Broadcasting Stories; Press Releases; Effective Media Relations; Advertisements

**Unit 6: Reading Strategies and Writing Process****25 marks (40 hrs.)**

Reading to Write: Becoming a Critical Reader; Brent Staples. "Cutting and Pasting: A Senior Thesis"; Note-Making; Summarizing; Invention; Arrangement; Drafting and Revising; Editing and Proof Reading; Paragraph Writing.

**Unit 7: Patterns of Writing****30 marks (45 Hrs.)**

Narration: Sandra Cisneros: "Only Daughter"; Bonnie Smith-Yackel: "My Mother never Worked"; Description: Jhumpa Lahiri: "Rice"; Heather Rogers: "The Hidden Life of Garbage"; Cause and Effect: Stan Cox: "The Case against Air Conditioning"; Lawrence Otis Graham: "The 'Black Table' is still There" Comparison and Contrast: Bharati Mukherjee: "Two Ways to Belong in America"; Amy Chau: "Why Chinese Mothers are Superior" Definition: Judy Brandy: "I want a Wife"; Gayle Rosenwald Smith: "The Wife-Beater"; Argumentation: Alex Tabarok: "The Meat Market"; Daniel Engber. "Let them Drink Water!"

**Suggested Readings:**Kirsznner, Laurie G. & Stephen R. Mandell (2012). *Patterns for College Writing: A Rhetorical Reader and Guide*.Tickoo, Champa & Jaya Sasikumar (1979). *Writing with a Purpose*.Holmes, H.I. (2014). *English for Business Studies*.Guffey, Mary Ellen & Carolyn M. Seefer (2011). *Business English*.**Oxford Business English Dictionary for Learners of English**. Oxford: OUP.

# MGT 202: Business Statistics

*Nature of Course: Compulsory*  
*Level : Bachelor BBS*  
*Year : First*

*Full Marks:100*  
*Pass Marks:35*  
*Lecture Hours:150*

## Course objective

The basic objective of this course is to provide students an understanding of concepts of business statistics and to acquaint the students with necessary statistical and mathematical tools and techniques to be used in business decision-making processes.

## Course Description

This course comprises introduction to statistics, classification and presentation of data, measures of central tendency, measures of dispersion, Skewness, kurtosis and moments, simple correlation and regression analysis, analysis of time series, index numbers, probability, sampling and estimation, quantitative analysis, determinant and matrix.

## Learning outcomes

On the completion of this course, students will be able to:

- classify, present and analyze the business and management related data.
- interpret the data from the management perspectives.
- apply forecasting techniques in business and management.
- use quantitative techniques in different decision making environments.
- apply the tool for cause and effect relationship in managerial decision.

## Course Details

### Unit 1: Introduction to Statistics

**5 LHs**

Meaning, scope and limitation of statistics; Importance of statistics in business and management; Types and sources of data; Methods of collection of primary and secondary data; Precautions in using secondary data; and Problems of data collection.

### Unit 2: Classification and Presentation of Data

**5 LHs**

Data classification: meaning, need, objectives and types of classification; Construction of frequency distribution and its principles; Presentation of data: tabular presentation, diagrammatic presentation: bar diagram, Pie diagram, graphic presentation: histogram, frequency polygon, frequency curve and ogive.  
**(Illustrations related to Business and Management).**

### Unit 3: Measures of Central Tendency

**15 LHs**

Mean: simple and weighted (Arithmetic Mean, Geometric Mean and Harmonic Mean); Median; Partition values; Mode; Properties of averages; and Choice and general limitations of an average.

- Unit 4: Measures of Dispersion** **15 LHs**  
Absolute and Relative measures; Range; Quartile deviation; Standard deviation; Coefficient of variation; and Lorenz curve.
- Unit 5: Skewness, Kurtosis and Moments** **15 LHs**  
Meaning, objective and measurement of Skewness; Karl Pearson's and Bowley's methods; Five number summary; Box-Whisker Plot; Kurtosis and its measurement by Percentile method; Meaning of moments; Central and raw moments and their relationship; and Measurement of Skewness and Kurtosis by method of moment.
- Unit 6: Simple Correlation and Regression Analysis** **15 LHs**  
Karl Pearson's correlation coefficient including bi-variate frequency distribution; Coefficient of determination; Probable Error(P.E.); Spearman's rank correlation coefficient; Concept of linear and non-linear regression; Simple linear regression equations including bi-variate frequency distribution; and Properties of regression coefficients.
- Unit 7: Analysis of Time Series** **15 LHs**  
Meaning, need and components of time series; Measurement of trend: semi-average, moving average, method of least squares; Measurement of seasonal variation: method of simple average and ratio to moving average (only quarters).
- Unit 8: Index Numbers** **15 LHs**  
Meaning and types of Index Number; General rule and problems in construction of index number; Methods of constructing index numbers: simple and weighted (aggregative and average of price relative method), Laspeyre's index number, Paasche's index number, Fisher's ideal index number; and Time and factor reversal tests.  
Cost of living index number (or Consumer's price index number): aggregative expenditure method and family budget method; and Base shifting and deflating.
- Unit 9: Probability** **10 LHs**  
Definition of probability; Addition and multiplication theorem; Application of combination rule in probability; and Conditional probability.
- Unit 10: Sampling and Estimation** **5 LHs**  
Meaning of sample and population; Census versus sampling; Sampling techniques; Concept of sampling distribution; Standard error; Estimation: estimator, concept of types of estimates: Point and Interval estimates.
- Unit 11: Quantitative Analysis** **15 LHs**  
Introduction to Quantitative Analysis; Application of management science: scientific approach to decision making; Decision making under the condition of uncertainty: maximax (optimism), maximin(pessimism), minimax regret; Decision making under risk : Expected Profit (EP) Or Expected Monetary value

(EMV), Expected Profit with perfect Information (EPPI), Expected Value of Perfect Information (EVPI); Linear Programming Problem (LPP): Problem formulation with two decision variables, graphical solution of maximization and minimization problems.

**Unit 12: Determinant**

**10 LHs**

Definition of determinant; Methods of finding the numerical values of determinant up to three order; Properties of determinant and its use to find the numerical values of determinants; and Cramer's rule to solve simultaneous equations up to three variables.

**Unit 13: Matrix**

**10 LHs**

Definition and types of Matrix; Addition, subtraction and multiplication of matrices; Cofactors; Transpose; Adjoint and inverse of a matrix; Matrix method to solve simultaneous equations up to three unknown variables.

**Note: Illustrations and applications in all chapters should be based on Business and Management situation as far as possible.**

**Suggested Readings:**

1. Gupta, S.C., *Fundamentals of Statistics for Management*, Mumbai: Himalayan Publishing House.
2. Tulsian, P.C. & Pandey, Vishal, *Quantitative Techniques: Theory and Problems*, New Delhi: Pearson Education.
3. David, M., Levine, Timothy, C. Krehbiel, & Mark, L. Berenson, *Business Statistics A first course*, USA: Prentice Hall.
4. Gupta, S.P., *Statistical Methods*, New Delhi: Sultan Chand and Sons.
5. Levine, Richard I, and Dabid S. Rubin, *Statistics for Management*, New Delhi: Prentice hall of India Pvt. Ltd.
6. Aitken, A.C., *Determinant and Matrices*, UK: Amazon.

# MGT 203: Microeconomics for Business

Level: Bachelor's  
Nature of the Course: Compulsory  
Program: BBS

Full Marks:100  
Pass Marks: 35  
Lecture Hours: 150

## Course Objectives

This course aims to enhance the understanding of microeconomic theories and their practical applications by developing students' skill in the application of theories in business decisions making.

## Course Description

This course comprises introduction to microeconomics, market equilibrium and efficiency, elasticity of demand and supply, analysis of consumer's behaviour, theory of production, cost and revenue curves, product pricing theories and practices and factor pricing.

## Learning Outcomes

By the completion of the course students will be able to:

- Explain the nature and scope of the microeconomics and business economics.
- Explain the concept of market equilibrium and efficiency and to analyze effect of change in market demand market supply to the market equilibrium and efficiency.
- Define and measure elasticity of demand and supply, their applications and uses in business decision making.
- Analyze the consumer's behaviour, derivation of the demand curve for normal goods by using both cardinal and ordinal approach.
- Explain the single variable and the multi-variable production functions and determination of the optimal combination of two inputs.
- Acquire the knowledge about the concept and nature of cost and revenue and to derive costs and revenue curves.
- Explain pricing of the products and the inputs under different market structures.

## Course Details

### Unit 1: Introduction ----- 15LHs

Microeconomics: meaning, scope, uses and limitations of microeconomics; Business economics: nature and scope; Basic concepts: production possibility curve, marginal analysis, incremental analysis, static and dynamic equilibrium analysis in microeconomics; and Ten principles of economics.

### Unit 2: Market Equilibrium and Efficiency ----- 20 LHs

Demand function: types, determinants of demand, movement and shift in demand curve; Supply function: types, determinants of supply, movement and shift in supply curve; Market equilibrium; Effect of changes in demand and supply on market equilibrium; Effect of government policy (Tax, subsidy and price control) in market equilibrium; Concept of market efficiency; and Measuring market efficiency by consumer's surplus and producer's surplus.

### Unit 3: Elasticity of Demand and Supply ----- 20 LHs

Price elasticity of demand: concept, degree and calculation (percentage/proportionate and average method); Point price elasticity of demand; Price elasticity and total expenditure; Income elasticity of demand: concept, degree and calculation (percentage/proportionate and average method); Cross elasticity of demand: concept, degree and calculation (percentage/proportionate and average method);; Concept of

advertisement elasticity of demand; and Uses of price, income, cross and advertisement elasticity of demand; and Price elasticity of supply: concept, degree and calculation (percentage/proportionate and average method)

**Unit 4: Analysis of Consumer's Behavior ----- 20 LHs**

Cardinal approach: assumptions, consumer's equilibrium, criticisms and derivation of demand curve; Ordinal approach: assumptions and properties of Indifference curve; Marginal rate of substitution; Price line; Consumer's equilibrium; Price effect and derivation of price consumption curve (normal goods and Giffen goods); Income effect and derivation of income consumption curve (normal and inferior goods); Substitution effect; Decomposition of price effect into income and substitution effect; and Derivation of demand curve for normal goods.

**Unit 5: Theory of Production ----- 15 LHs**

Production function: Short-run and Long run production functions; concept of Cobb-Douglas production function; Law of variable proportions; Isoquant: assumptions, marginal rate of technical substitution and properties; Iso-cost curve; Optimal employment of inputs; and Laws of return to scale.

**Unit 6: Cost and Revenue Curves ----- 20 LHs**

Cost function; Concept of costs: Implicit cost and explicit cost, accounting cost and economic cost, historical cost and replacement cost, separable cost and common cost, opportunity cost; Short-run costs: cost-output relationship; derivation of short run total cost curves and their relationship; derivation of short-run average and marginal cost curves and their relationship; Reason for the U-shaped of short run average cost curve; Relationship between AC and MC curves; Long-run costs: derivation of long run average and marginal cost curves; Reason for the U- shaped, L- shaped and continuously falling long run average cost curve; Economies of scale; and Concept of economies of scope. Revenue: revenue function; Revenue curves under perfect and imperfect competition market; Relation between average and marginal revenue curves; and Relationship between price elasticity of demand and revenue.

**Unit 7: Product Pricing Theories and Practices ----- 25 LHs**

Market structure: concept and characteristics; Profit maximization goal of firm; Price and output determination under perfect competition: short-run and long-run equilibrium; Derivation of short run supply curve of a firm and industry; Price and output determination under monopoly: short-run and long-run equilibrium; economic effects of monopoly. Price and output determination under monopolistic competition: short-run and long-run equilibrium, monopolistic firm's equilibrium under product variation and selling expenses. Concept and types of cartel; Pricing under joint profit maximization cartel; and Pricing practices: price discrimination, cost plus pricing, incremental cost pricing, administered pricing, export pricing, predatory pricing, skimming pricing and penetration pricing.

**Unit 8: Theory of Factor Pricing ----- 15 LHs**

Rent: modern theory of rent; Wages: marginal productivity theory of wages; Concept of collective bargaining; Minimum wages fixation; Wage differentials; Interest: Nominal and real interest rates; Interest rate differentials; Theories of interest: loanable funds theory of interest and liquidity preference theory of interest; Profit: economic profit and business profit; and Theories of profit: dynamic theory of profit and innovation theory of profit.

### **Suggested Readings**

- Mankiw, N. G. *Principles of Microeconomics*. New Delhi: Centage Learning India Private Limited, Latest edition
- Koutsoyianis, A. *Modern Microeconomics*. Hong Kong: ELBS, Latest edition
- McConnell, C.R., Brue, S.L., Flynn, S.M. and Grant, R. *Economics*. New Delhi: McGraw Hill Education, Latest edition
- Salvatore, D. *Managerial Economics*. New Delhi: Oxford University Press, Latest edition
- Slowman, J. and Sutcliffe, M. *Economics for Business*. New Delhi: Pearson Education.
- Browning, E.K. and Browning, J.M. *Microeconomic Theory and Application*. New Delhi: Kalyani Publishers, Latest edition
- Pindyck, R.S. and Rubinfeld, D. *Microeconomics*. New Delhi: Prentice Hall of India, Latest edition
- Dwivedi, D.N. *Microeconomic Theory and Applications*. New Delhi: Tata McGraw-Hill Publishing Company Limited, Latest edition

# MGT 211: Financial Accounting and Analysis

*Nature of course: Core*

*Full Marks: 100*

*LHs: 150*

*Pass Marks: 35*

## **Course Objectives**

The main objective of this course is to provide in-depth knowledge and understanding of basic principles, concept and practices of financial accounting. This course also aims to develop students' understanding on business transactions, record such transactions in an accounting system and enable them to prepare and analyze the basic financial statements.

## **Course Description**

This course contains conceptual and theoretical foundation of financial accounting; processing and recording business transactions; accrual accounting concept; adjusting entries, closing entries; preparation of basic financial statements like income statement, statement of retained earnings, balance sheet, value added statement and cash flow statement; and their analysis.

## **Course Details**

### **Unit I: Basic Understanding of Financial Accounting**

**8 LHs**

Forms of business entities: sole proprietorship, partnership and corporate entities; Cyclical nature of business: financial cycle and operating cycle; Financial accounting : concept, features objectives and scope ; Book-keeping, accounting and accountancy; Nature of accounting; Qualitative features of accounting information; Users and uses of accounting information: internal users and external users; Limitations of financial accounting; Bases of accounting: cash and accrual bases of accounting; and Accounting and other disciplines.

### **Unit 2: Conceptual Framework of Accounting**

**8 LHs**

GAAP and its features; Basic accounting concepts: the business entity concept, the monetary concept, the going concern concept, the cost concept, the dual aspect concept, the accounting period concept, the realization concept, the accrual concept and the matching concept; Accounting concepts Vs. Accounting conventions; Basic accounting conventions: consistency, conservatism, materiality and full disclosure; Accounting standards: meaning, nature, need and significance of accounting standards; NAS, IAS, NFRS, IFRS; Classification of Accounting standards; Ethics in accounting.

### **Unit 3: Accounting Process**

**23 LHs**

Accounting events of business: concept and types; Source documents: concept, types and role in recording transactions; Accounting equation for analyzing the transactions; Debit and credit and their rules; Recording process of accounting events: journal, sub-division of journal, ledger, and trial balance.

### **Unit 4: Accrual Basis of Accounting**

**10 LHs**

Accrual versus cash basis of accounting; Adjusting entries: concept and types of adjusting entries; Adjusted trial balance; Closing entries: concept and types of closing entries.



**Unit 5: Accounting for Inventories and Cost of Goods Sold** **8 LHs**

Concept, nature and cost of inventory; Cost of goods sold model; Inventory valuation and income measurement: periodic and perpetual system; Methods of inventory valuation in periodic and perpetual system; Inventory estimation: retail inventory method and gross profit method; Effect of inventory valuation on cost of goods sold and its disclosure; Analyzing the management of inventory: inventory turnover ratio and number of days' sales in inventory.

**Unit 6: Accounting for Cash and Internal Control** **6 LHs**

Concept and nature of cash ; Internal control and principles of internal control activities; Cash receipts and disbursement control; Preparation of bank reconciliation statement; adjusting entries; petty cash fund; Effect of cash in balance sheet; Internal control procedures.

**Unit 7: Accounting for Receivables** **6 LHs**

Concept, nature and types of receivables; Recognition and valuation of accounts receivables: presentation of accounts receivable in balance sheet, Recognition and valuation of notes receivables; Balance sheet presentation of notes receivable; Analyzing the management of accounts receivable: Accounts receivable turnover ratio and days' sales outstanding.

**Unit 8: Accounting for Current Liabilities and Contingencies** **6 LHs**

Concept and nature of current liabilities; types of current liabilities: Accounts payable, notes payable, tax payable, other accrued liabilities (accrued expenses and unearned income) and current maturities of long-term debt; Recognition and valuation of accounts payable and notes payable; Balance sheet presentation of accounts and notes payable; Concept of contingent liabilities; Accounting entries of product warranty and guarantees; Analyzing the management of current liabilities.

**Unit 9: Accounting for Long-Lived Assets** **10 LHs**

Concept, features and types of long lived assets; Acquisition cost of tangible long lived assets; Depreciation of tangible long lived assets: Straight-line method, diminishing balance method, unit of activity method and depreciation fund method; Choice of depreciation method; Disposal of long lived assets; Impact of depreciation on profit measurement; Capital versus Revenue expenditure; Effect of long lived assets in balance sheet; Analyzing the management of long lived assets.

**Unit 10: Accounting for Long Term Liabilities** **8 LHs**

Concept of long term liabilities; Concept, features and types of debentures or bonds ; Accounting entries for issuance and retirement of debentures or bonds; Balance sheet presentation of debentures or bonds; Concept and types of leases: Acquisition of capital lease; depreciation of leased asset; amortization of lease obligation; balance sheet presentation of lease obligation; analyzing the management of long-term debt.

**Unit 11: Accounting for Shareholders' Equity** **7 LHs**

Concept of shareholder's equity; Components of shareholders equity: Common share, preference share, additional paid-in capital, and retained earnings; Balance sheet presentation of shareholder's equity; Accounting entries for issuance of share; Accounting entries for treasury share or stock; Accounting entries for cash and stock dividend, stock split and its effect on shareholder's equity; Analyzing the management of shareholders' equity.

**Unit 12: Basic Financial Statements** **20 LHs**

Financial statements-means of communicating accounting information: concept, purpose, types and relationship;

Income statement: concept and types of income statement, components of an income statement, preparation of single step and multi step income statement;

Statement of retained earnings: concept, components and preparation of retained earnings statement;

Statement of financial position or balance-sheet: concept, purpose, components and preparation of classified statement of financial position or balance sheet;

Statement of changes in owners' equity: concept, components and preparation of statement of changes in owners' equity.

(Disclosure required for financial statements as per Nepal Company Act and NFRS).

### **Unit 13: Cash Flow Statement**

**12 LHs**

Meaning, objectives and importance of cash flow statement; Contents of cash flow statement; preparation of cash flow statement using trail balance of a year; Preparation of cash flow statement using balance-sheets of two dates under direct and indirect method.

### **Unit 14: Value Added Statement**

**6 LHs**

Value added: concept and its application; Value added statement: concept, contents and advantages; Preparation of value added statement showing value added generated and applied.

### **Unit 15: Analysis of Financial Statement**

**12 LHs**

Meaning, objectives, need and importance of financial statement analysis; Types of financial statement analysis: Horizontal and vertical analysis, comparative and common size statement analysis and their application.

Ratio analysis: concept, uses, importance and limitations of ratio analysis; Types, computations and interpretations of: liquidity (current ratio and quick ratio), capital structure (debt-equity ratio, debt to total capital ratio, interest coverage ratio and debt coverage ratio), efficiency (stock turnover ratio, receivable turnover ratio including collection period, payable turnover ratio including payable period, fixed assets turnover ratio, total assets turnover ratio, capital employed turnover ratio), profitability (gross profit ratio, net profit ratio, operating ratio, return on equity, return on total assets and return on common shareholders equity) and earning evaluation ratios (EPS, DPS and price earning ratio) for evaluating the financial performance of the business.

### **Suggesting Readings**

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

Greunung & Keen, (2000). International Accounting Standards. A Practical Guide, USA: World Bank

Narayanaswamy, R. *Financial Accounting: A Managerial Perspective (Fourth Edition)*. New Delhi: PHI Learning Private Limited.

NFRS (2014). Nepal Accounting Standards. Kathmandu: ASB.

Porter, G. & Norton, C. L. *Introduction to Financial Accounting (8<sup>th</sup> Edition)*. Delhi: Cengage Learning India Private Limited.

Tulsian, P. C.. *Fundamental of Accounting*. New Delhi: Mc Graw Hill Education Private Ltd.

# MGT 213: Principles of Management

*Level: Bachelor of Business Studies*

*Year: First*

*Nature of the Course: Core*

*Full Marks: 100*

*Pass Marks: 35*

*Lecture hours: 150*

## **Course Objectives**

This course aims to impart the basic management knowledge and skills to the students so as to enhance their managerial capabilities and enable them to apply in the practical field. The course provides a comprehensive knowledge to students about organization and help them understand the major functions, principles, and techniques of management.

## **Learning Outcomes**

Upon successful completion of this course, students will be able to:

- Understand what management is and why it is important
- Have developed a working knowledge of fundamental terminology and frameworks in the functions of management
- Be able to identify and apply appropriate management techniques for managing contemporary organizations
- Have an understanding of the skills, abilities, and tools needed to obtain a job on a management track in an organization of their choice.
- Understand the changes in theories about how managers should behave to motivate and control employees

## **Course Description**

This course contains the Nature of Organizations, Introduction to Management, Management History and Current Thinking, Environmental Context of Management, Planning and Decision Making, Fundamentals of Organizing, Leadership and Motivation, Fundamentals of Influencing and Communication, Control and Quality Management, Managing in Global Arena, Management Trends and Scenario in Nepal.

## **Course Details**

### **Unit 1: The Nature of Organizations**

**15 Hrs.**

Concept of organization; Organizational goals: concept, purposes, and types; Features of effective organizational goals; Goal formulation: processes and approaches; Goal succession and displacement; Problems of goal formulation; Changing perspectives of organization.

### **Unit 2: Introduction to Management**

**10 Hrs.**

Management: definition, characteristics, functions, principles; Managerial hierarchy; Types of managers; Managerial skills and roles; Management Careers; Emerging challenges for management.

### **Unit 3: Management: History and Current Thinking**

**15Hrs.**

Classical Theory: introduction, contribution and limitation; Human relations and Behavioral science theories; System Theory; Decision Theory; Management Science Theory; Contingency Theory; Emerging Management Concepts: workforce diversity, outsourcing, knowledge management, learning organization.

### **Unit 4: Environmental Context of Management**

**16Hrs.**

Concept of Business Environment; Types of Business Environment: internal and external. Basic Components of External Environment: economic, socio – cultural, political, and technological; Environmental Scanning: concept and methods; SWOT analysis; Social Responsibility of Business: concept and approaches; Areas of Social Responsibility. Business Ethics: meaning and significance; Emerging Business Environment in Nepal.

- Unit 5: Planning and Making Decisions** **20Hrs.**  
Planning: concept, types, process and importance; Elements of Decision Situation; Strategic Planning: fundamentals of strategic planning; Tactical Planning: comparing and coordinating strategic and tactical planning; The Planning and Levels of Management; Decision Making: definition and approaches, conditions of certainty and uncertainty. Management by Objectives (MBO): factors necessary for a successful MBO program; Decision Making: meaning, types and process; Group Decision Making: advantages and process.
- Unit 6: Fundamentals of Organizing** **18Hrs**  
Organizing: concept, principles and process; Approaches to Organizing: classical, behavioral, contingency. Departmentalization: meaning and types; Delegation of Authority: meaning, steps, obstacles; Eliminating Obstacles to the Delegation Process; Centralization and Decentralization: meaning, advantages and disadvantages; Concept of Organic and Mechanistic Views of Organization; Organization Architectures: vertical differentiation (tall versus flat hierarchies), horizontal differentiation (functional structure, multidivisional structure, geographic structure, and matrix structure); Modern Organizational Structures: team, network and 360 degree structure.
- Unit 7: Leadership and Motivation** **22 Hrs.**  
Leadership: Concept, functions, styles; Approaches to Leadership: trait, behavioral, and situational; Leadership Today: transformational, coaching, entrepreneurial leadership; Leadership Situations and Decisions; Team Management; Conflict: meaning and types; Managing Conflicts in Organization; Motivation: concept and process; Theories of Motivation: need hierarchy and motivation-hygiene; Strategies for Motivating Employees;
- Unit 9: Fundamental of Influencing and Communication** **8 Hrs.**  
Influencing: concept and fundamentals; Influencing people; Influencing subsystem; Communication: concept, structure, and process; Types of Communication: formal and informal, Interpersonal and nonverbal communication in organization; Barriers to Effective Communication; Enhancing Effective Communication.
- Unit 10: Control and Quality Management** **11Hrs**  
Control Systems: concept, process, types, and characteristics of effective control system; Potential Barriers to Successful Controlling; Quality Control Systems; Total Quality Management (TQM): concept and tools; Deming Management: principles and techniques; The Quality Improvement Process;
- Unit 11: Managing in the Global Arena** **8Hrs**  
Globalization: concept, effects; Fundamentals of International Management; Multinational Companies: meaning, types, advantages, and disadvantages; Digital dimensioning and Planning, Organizing, Influencing, and Controlling.
- Unit 12: Management Trends and Scenario in Nepal** **7Hrs**  
Growth of Business Sector in Nepal; Major Industries in Nepal: manufacturing, export oriented, import substitution, and service sector; Existing Management Practices and Business Culture in Nepalese Organization; Major Problems of Businesses in Nepal.

***Suggested Reading:***

Griffin, Ricky W., ***Management***, AITBS Publishers and Distributors, Delhi.

Samuel C. Certo, ***Modern Management***, Prentice Hall of India, Delhi

Charles W.L. Hill and Steven L. McShane, ***Principles of Management***, Tata Mc-Graw-Hill Company,  
New Delhi

Robins, Stephen P. and Coulter, Mary, ***Management***, Prentice Hall of India.

James, Stoner, AF, Freeman, Edward, R. and Gillbert, R., Jr. Daniel, ***Management***, Pearson, India.

Pant, P.R., ***Principles of Management***, Buddha Publication Pvt. Ltd., Nepal

Chalise, M. and Gautam, P. K., ***Principles of Management***, KEC Publication and Distribution Pvt. Ltd.,  
Nepal