

# Faculty of Management

## Bachelor of Business Studies Program (BBS)

### First Year Curriculum



Office of the Dean  
Faculty of Management  
Tribhuvan University  
Kathmandu, Nepal

2013

## **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 instructions leading to Bachelor of Business Studies (BBS-4years annual system) , Bachelor of Travel and Tourism Management (BTTM), Bachelor of Hotel Management (BHM), Bachelor of Information Management (BIM), Bachelor of Business Management (BBM), Bachelor of Public Administration (BPA), Post Graduate Diploma in Police Sciences (PGDPS), Master of Business Management (MBM), Master of Business Studies (MBS), Master of Public Administration (MPA), Master of Travel and Tourism Management (MTTM), Master of Hospitality Management (MHM), Master of Finance and Control, Master of Business Administration (MBA) and Master of Business Administration in Global Leadership and Management (MBA-GLM). 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.

## **Minimum General Requirements**

The minimum general requirement for the 4-years 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 \*4:10hours a day). For courses requiring field and practical works, additional hours of study will be required.
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 campuses 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.

# MGT 201: Business English

*Full Marks: 100*

*Pass Marks: 35*

*Lecture hours: 150*

## **Course Objectives**

The BBS English course is a two-pronged English course emphasizing the core areas of reading and writing along with a strong communication component. It is designed to help students get ahead fast with their general English skills in interdisciplinary contexts with the lessons covering important vocabulary, grammar, reading and writing, listening and speaking skills for general and technical English. It is a theme-based course with comprehensive coverage of English language and critical thinking skills. Authentic listening and reading materials provide models for up to date language, grammar, and vocabulary.

The course has the following four main components:

- i) Interdisciplinary Approach to Learning English
- ii) Functional English Language Texts
- iii) Reading for Writing
- iv) Style

## **General Objectives**

The general objectives of the course are to

- develop specific skills in core English
- teach the writing modes
- discuss rhetorical devices
- present language points required for academic success
- support serious reading and writing activities
- understand and produce paragraphs, essays, letters, and report
- build students' confidence in using English in professional and social scenarios
- develop critical skills and cultural awareness

## **Specific Objectives**

The specific course objectives are to teach students to:

- work on writing, reading and listening skills
- use correct punctuation, spelling and vocabulary
- increase confidence and fluency in speaking
- improve accuracy to enable clear communication of ideas
- develop understanding of grammar
- interact in a multi-cultural and interdisciplinary environment
- focus on student's personal needs and objectives
- acquire a wide interdisciplinary knowledge of different disciplines
- use thought-provoking readings to develop writing skills
- give students tools to write both personal and academic essays
- help students write in multiple modes
- encourage thinking and reflection as a prelude to writing
- expand students' knowledge of grammar
- introduce students to the key areas in the study of style
- give suggestions for project work

## Course Details

### Unit 1: Interdisciplinary Approach to Learning English (Weightage 40%)

This component of the course carries carry 40 marks.

- 1) Invitation
  - Interactions (relating to the text) and Spotlights
- 2) Ancient Tales
  - Yudhisthira's Wisdom (Rao); The Brave Little Parrot (Martin); If Not Higher (Peretz);
  - Interactions (relating to the selected texts) and Spotlights
- 3) Education
  - Why go to a University? (Nissani); Don't Cut Down the Trees, Brother Woodcutter (Sama); Surely You Are Joking, Mr. Feynman (Feynman); A 1996 Commencement Speech (Rushdie);
  - Interactions (relating to the selected texts) and Spotlights
- 4) Actions and Consequences
  - The Parrot in the Cage (Paudyal); A Sound of Thunder (Bradbury);
  - No Smoke from the Chimneys (Shrestha);
  - Interactions (relating to the selected texts) and Spotlights
- 5) Television
  - The Wretched Stone (Van Allsburg); TV Can be a Good Parent (Gore);
  - Interactions (relating to the selected texts) and Spotlights
- 6) Crosscultural Bridges
  - Marriage is a Private Affair (Achebe); Then and Now: Finding My Voice (Kim);
  - Interactions (relating to the selected texts) and Spotlights
- 7) Cultural Anthropology
  - Arranging a Marriage in India (Nanda); Life is Sweet at Kumansenu (Nicol);
  - Interactions (relating to the selected texts) and Spotlights
- 8) The Human Condition
  - The Lunatic (Devkota); How Sane Are We? (Chaudhary); Gaia (Lohani)
  - Interactions (relating to the selected texts) and Spotlights
- 9) Natural Science
  - The Making of a Scientist (Ramchandran); Scientific Inquiry: Invention and Test (Hempel);
  - Interactions (relating to the selected texts) and Spotlights
- 10) Humor and Satire
  - King John and the Abbot of Canterbury (Anon); Third Thoughts (Lucas) ; The Clock Tower (Sherchan);
  - Interactions (relating to the selected texts) and Spotlights
- 11) Critical and Creative Thinking
  - The Stub Book (de Alarcon); Mr. Know-All (Maugham); Keeping
  - Errors at Bay (Russell); What Is Intelligence, Anyway (Asimov);
  - Interactions (relating to the selected texts) and Spotlights
- 12) Love
  - To His Coy Mistress (Marvell); The Telegram on the Table (Pradhan); Piano (Lawrence);
  - Interactions (relating to the selected texts) and Spotlights
- 13) Life and Death
  - The Great Answer (Oursler); Stopping by Woods on a Snowy
  - Evening (Frost); A Tale (Koirala); Ethics (Pastan); "Where the Mind is without Fear' (Tagore); New Year (Parijat);
  - Interactions (relating to the selected texts) and Spotlights

### **Prescribed Book**

Nissani, M., & S. Lohani. *Flax-Golden Tales: An Interdisciplinary Approach to Learning English*. Shorter Edition. Kathmandu: Ekta., (Sounds of English and Stories and Poems on CD).

### Unit 2: Functional English Language Texts (Weightage 15%)

This component of the course carries carry 15 marks.

- 1) Paragraph to Short Essay
- 2) Descriptive Essays
- 3) Narrative Essays
- 4) Opinion Essays
- 5) Comparison and Contrast Essays
- 6) Cause and Effect Essays
- 7)

***Prescribed Book***

Savage, Alice, and Patricia Mayer. *Effective Academic Writing 2: The Short Essay*. Essay. Oxford: OUP 2005.

**Unit 3: Reading for Writing (Weightage 30%)**

This component of the course carries carry 40 marks.

- 1) Introduction to the Topic, Reading, and Discussion
  - Reflection
  - Discussion
  - Preparing to read
  - Reading for overall meaning
  - Reading for more detail
- 2) Personal Written Response
  - Journals: a private audience
  - Shared writing
  - Feedback on student writing
- 3) Further Reading, Writing, and Discussion
  - Preparing to read
  - Reading for overall meaning
  - Reading for more detail
  - Helping each other understand
  - Discussion: Critical thinking
- 4) Focus on Writing Skills
  - Using other's writing
  - Meeting reader expectations
  - Sentence grammar
- 5) Formal on Writing Skills
  - Writing topics
  - Generating ideas
  - Expanding student point of view
  - Initial drafts
  - Review, revision, and assessment
- 6) Grammar and Punctuation
  - Sentence Structure
  - Relative Clauses
  - Word Order
  - Adjectives and Adverbs
  - Punctuation

Complete Essay Assessment Checklist

***Prescribed Book***

Smalzer, William R. *Write to be Read: Reading, Reflection, and Writing*. Second Edition. Cambridge: CUP, 2005.

#### **Unit 4: Style (Weightage 15%)**

This component of the course carries carry 15 marks.

- 1) Choosing le most juste
- 2) Following and flouting conventions
- 3) Live and dead metaphors
- 4) Patterns of words in a text
- 5) Patterns of grammar in a text
- 6) The textual orchestration of patterns
- 7) The effects of the medium
- 8) Sequences of words and events
- 9) The selection of significant detail
- 10) Personal attitude, involvement and emotion
- 11) Style and ideology
- 12) A note on the poetic
- 13) Suggestions for projects

#### ***Prescribed Book***

Haynes, John. *Style*. London and New York: Routledge, 1995.

#### **Teaching Methods**

The suggested teaching method is to introduce the theme and the writing task and then guide the students to practice specific skills and put language knowledge to produce their own writings. The recommended approach is to view the books not as mere language texts but to introduce students to many disciplines, to expand their intellectual and spiritual horizons, to underscore the nobility of humanity's never-ending search for truth, beauty, and compassion. The goal is, therefore, to teach language skills along with insight and wisdom. The specific methods are also suggested in the course books and teacher manuals, and it will prove valuable for teachers to follow them. A useful method will be to introduce the theme and the writing task and then guide the student to practice specific skills and put language knowledge to produce their own writings in different genres using appropriate styles.

#### **Evaluation**

The examinations will cover the language skills and include a range of tasks which assess students' ability to use English in a variety of contexts. Above all, he examinations will assess the students' ability to communicate effectively in English, especially in reading and writing activities using appropriate writing style.

#### **Suggested Books**

Carter, Ronald, and Michael McCarthy. *Cambridge Grammar of English*. Cambridge: CUP.

Crystal, David, ed. *The Penguin Encyclopedia*. 3rd rev. ed. Penguin Books.

*Effective Academic Writing 2: The Short Essay*. Answer Key Booklet. Oxford: OUP.

Oxford Advanced Learner's. *Dictionary of Current English*. Oxford: OUP.

Smalzer, William R. *Write to be Read: Teacher's Manual*. Cambridge: CUP.

Thomson, Anne, *Critical Reasoning: A Practical Introduction*. London and New York: Routledge.

Thomson, Anne. *Critical Reasoning: A Practical Introduction*. London and New York: Routledge.



# MGT 202: Business Statistics

Full Marks: 100

Pass Marks: 35

Lecture hour: 150

## Course objective

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

## Course Description

This course contains 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.

## Course Details

### Unit 1: Introduction to Statistics

LH 5

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, Problems of data collection.

### Unit 2: Classification and Presentation of Data

LH 5

Data classification (need, meaning, 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

LH 15

Mean: Simple and Weighted (Arithmetic Mean, Geometric Mean and harmonic Mean), median, partition values, mode, Properties of averages, choice and general limitation of an average.

### Unit 4: Measures of Dispersion

LH 15

Absolute and relative measures, Range, Quartile deviation, mean deviation, standard deviation, coefficient of variation, Lorenz curve.

### Unit 5: Skewness, Kurtosis and Moments

LH 15

Meaning, objective and measurement of Skewness, Karl Pearson's and Bowley's Method; Five Number Summary, Box-Whisker Plot; Kurtosis and its measurement by Percentile method; Meaning of moments, Central and Raw moments and their relationship; Measurement of Skewness and Kurtosis by moment method.

### Unit 6: Simple Correlation and Regression Analysis

LH 15

Karl Pearson's correlation coefficient including bi-variate frequency distribution, coefficient of determination, Probable Error, Spearman's Rank Correlation coefficient; Concept of Linear and Non-linear regression; Simple linear regression equations including bi-variate frequency distribution, Properties of regression coefficients.

**Unit 7: Analysis of Time Series****LH 15**

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

**Unit 8: Index Numbers****LH 15**

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 Price Relative Method)  
Laspeyre's and Paasche's Index Number, Fisher's Ideal Index Number; Time and Factor Reversal Tests  
Cost of living index number (Consumer's price index number): Aggregative Expenditure Method and Family Budget Method, Base shifting and Deflating

**Unit 9: Probability****LH 10**

Definition of probability, Addition and Multiplication theorem, Application of Combination in Probability, Conditional probability and Baye's Theorem.

**Unit 10: Sampling and Estimation****LH 5**

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

**Unit 11: Quantitative Analysis****LH 15**

Introduction to quantitative analysis; Application of management science: Scientific approach to decision making, Decision making under the condition of uncertainty and risk, Expected Profit, Expected Profit with perfect information and Expected value of perfect information, Linear Programming Problem: Problem formulation with two decision variables, Graphical solution of Maximization and Minimization problems.

**Unit 12: Determinant****LH 10**

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

**Unit 13: Matrix****LH 10**

Definition and types of matrix, Addition, subtraction and multiplication of matrices, Cofactors, Transpose, Adjoint and Inverse of a matrix, Inverse and Row Operations method to solve simultaneous equations upto three unknowns. (Illustrations and applications in all chapters should be based on Business and Management situation as far as possible.)

**Basic Books**

Gupta, S.C., *Fundamentals of Statistics for Management*, Himalayan Publishing House, Bombay.

Tulsian, P.C. & Pandey, Vishal, *Quantitative Techniques: Theory and Problems*, Pearson Education, India.

**Reference Books**

Shrestha, S. & Amatya, S., *Business Statistics*, Kathmandu : Buddha Academic Enterprises Pvt. Ltd.

Sharma, P. K. & Silwal, D. P., *Business Statistics*, Kathmandu : Taleju Prakashan.

# MGT 203: Microeconomics

*Full Marks: 100*

*Pass Marks: 35*

*Lecture hours: 150*

## **Course Objectives**

This course of Business Economics-I aims to enhance understanding of the microeconomic theories and develop skills of students in using these theories in business decision making.

## **Course Description**

This course of Business Economics-I consists of the introduction to microeconomics, theory of demand, supply and equilibrium price, elasticity of demand and supply, theory of consumers behavior, theory of production, cost and revenue curves, theory of product pricing and factor pricing.

## **Course Details**

**Unit 1: Introduction LH 5** Concept of business (managerial) economics; Relation of business economics with traditional economics; Meaning, scope, use and limitations of microeconomics.

**Unit 2: Theory of Demand and Supply and Equilibrium Price** **LH 20**

Demand function, determinants of demand, movement and shift in demand curve; Supply function, determinants of supply, movement and shift in supply curve; Market equilibrium; Change in equilibrium due to shift in demand curve and supply curve.

*(Numerical exercise)*

**Unit 3: Elasticity of demand and supply** **LH 20**

Concept and types of price, income and cross elasticity of demand; Measurement of price, income and cross elasticity of demand: Total outlay, point and arc method; Uses of price, income and cross elasticity; Concept of elasticity of supply; Measurement of elasticity of supply. *(Numerical exercise)*

**Unit 4: Theory of Consumer Behavior** **LH 20**

Concept of cardinal and ordinal utility analysis; Cardinal approach: Assumptions, consumer's equilibrium, criticisms and derivation of demand curve (cardinal approach); Ordinal approach: Indifference curve: Concept, properties, marginal rate of substitution, price line and consumer's equilibrium; Price effect: Derivation of PCC; Income effect: Derivation of ICC; Substitution effect: Hicksian approach; Decomposition of price effect into income and substitution effect: Hicksian approach; Derivation of demand curve: (ordinal approach).

*(Numerical exercise)*

**Unit 5: Theory of Production LH 16**

Production function: Meaning, long run and short run production function and concept of Cobb-Douglas production function; Concept of total product, average and marginal product; Law of variable proportions; Isoquant: Meaning and properties; Marginal rate of technical substitution. Iso-cost curve. Optimal combination of inputs. Laws of return to scale.

*(Numerical exercise)*

**Unit 6: Cost and Revenue Curves** **LH 17**

Concept of cost: Actual cost and opportunity cost, implicit cost and explicit cost, accounting and economic cost, historical cost and replacement cost, separable cost and common cost. Derivation of short run cost curves. Reason for the 'U' shape of short run average cost curve. Derivation of long run cost curves. Relationship between short run and long run AC and MC curve. Shape of the long run average

cost curve: Theoretical reason and empirical evidence. Concept of economies of scale and economies of scope. Concept of revenue: Total revenue, average revenue, and marginal revenue. Revenue curves under perfect and imperfect competition. Relation between average and marginal revenue curves. Relationship between price elasticity and marginal revenue and total revenue.

(Numerical exercise)

### Unit 7: Theory of Product Pricing

LH 30

**Perfect competition:** Meaning and characteristic of perfect competition; Pricing under perfect competition: Equilibrium of firm and industry in short run and long run (TR-TC approach and MC-MR approach); Derivation of short run and long run supply curve of a firm and industry

**Monopoly:** Meaning and characteristic of monopoly; Pricing under monopoly: Equilibrium of firm in short run and long run (TR-TC approach and MC-MR approach); Price discrimination: Degree of price discrimination and price and output determination under discrimination; Dumping

**Monopolistic competition:** Meaning and characteristics of monopolistic competition; Pricing under monopolistic competition: equilibrium of firm in short run and long run; equilibrium of firm under product variation and selling expenses

**Oligopoly:** Meaning and characteristic of oligopoly; Pricing under cartel (aiming at joint profit maximization).

(Numerical exercise)

### Unit 8: Theory of Factor Pricing

LH 22

Pricing of inputs in perfect competition and imperfect competition market. Rent: Modern theory of rent.

Wages: Marginal productivity theory of wages, Concept of collective bargaining and minimum wages fixation. Interest: Loanable fund theory and Liquidity Preference Theory of interest. Profit: Economic and Business Profit, Dynamic Theory and Innovation Theory of Profit.

(Numerical exercise)

### Basic Books

Salvatore, D., *Principles of Microeconomics*. Publish in India Oxford University Press.

Pindyck, R. S. & Daniel, R., *Microeconomics*. New Delhi: Prentice Hall of India

Mankiw, N. G., *Principles of Microeconomics*, New Delhi: Centage Learning India Private Limited.

Gilespi, A., *Business Economics*: Oxford University Press

Koutsoyianis, A., *Modern Microeconomics*. Hongkong: ELBS

### Reference Books

Joshi, S., *Business Economics*. Kathmandu: Taleju Prakashan

Dwivedi, D.N., *Microeconomic Theory and Application*, New Delhi: Tata McGraw-Hill Publishing Company Limited, Ahuja, H.L., *Advance Economic Theory*. New Delhi: S. Chand and Company

Gould, J.P. & E.P., Lazer., *Microeconomic Theory*. New Delhi: All India Travelers Book Sellers

Browning, E.K. & Browning, J.M., *Microeconomic Theory and Application*. New Delhi: Kalyani

# MGT 211: Accounting for Financial Analysis

Full Marks: 100  
Pass Marks: 35

Lecture hours: 150

## Course Objectives

The objectives of the course are to provide the students with the knowledge required to analyze financial statement for decision making including long-term investment decisions.

The course further attempts to provide sound knowledge required for higher studies in capital planning, analysis of financial statement and investment decisions.

## Course Description

This course contains company, conceptual and theoretical foundation, financial statement of the company, analysis of financial statement for a company, company growth, merger, combination and liquidation, depreciation and its effect in financial statement of a company, price level changes, long-term planning – capital budgeting.

## Course Details

### Unit 1: Company: Conceptual and theoretical foundation

LH 8

- Meaning, concept, types, and features of Public Limited Company
- Advantages and Privileges of Public Limited Company
- Memorandum of Association, Article of Association and Prospects
- Concept and types of Share Capital of the company

### Unit 2: Financial Statement of the Company

LH 25

- Meaning, concept, features, objectives and importance of company financial statement
- Meaning, importance, objectives, contents and preparation of worksheet based Income Statement and Balance Sheet (in vertical form) as per Company Act and Mandatory Standards (Nepal Accounting Standard)
- Meaning, objectives, importance, contents and preparation of Cash Flow Statement under direct and indirect approach based on Company Act and Mandatory Standards (Nepal Accounting Standard)
- Meaning and concept of Value Added and its application, and concept, advantages, contents and preparation of Value Added statement showing Value Added generated and applied.

### Unit 3: Analysis of Financial Statement of a Company

LH 14

Meaning, importance and objectives of financial statement analysis, internationally accepted standard and financial statement, ratio analysis-concept, uses, importance and limitations, types of ratios-computation and interpretation: liquidity, leverage, activity / turnover, profitability and earning evaluation ratio for evaluating the financial performance of the company.

### Unit 4: Company Growth, Merger, Combination and Liquidation

LH 40

- Company expansion through Amalgamation and Absorption: meaning and concept, Purchase consideration – Concept and Determination.
- Accounting treatment in the Books of both Purchasing and Vendor Company
- Preparation of Balance Sheet by Purchasing Company
- Internal Reconstruction: Meaning, importance, need and accounting treatment and balance sheet after reconstruction
- Expansion through Subsidiary Companies (Holding Company)
  - o Concept of Holding and Subsidiary Company, preparation of Consolidated Balance Sheet by Holding Company after due consideration of:
  - o Pre-acquisition and post-acquisition profit, Minority Interest, Cost of Control/Goodwill or Capital Reserve, Revaluation of assets, Dividend from Subsidiary Company, Inter Company debt and unrealized profit.

- Corporate Liquidation: Concept and reasons for liquidation, procedures of winding up as per Company Act. Liquidator's Final Statement of Account: meaning, contents and preparation showing amount realized from assets realized.

### **Unit 5: Depreciation and its Effect in Financial Statement of a Company**

**LH 22**

- Depreciation – Concept and need
- Accounting treatment under following Method of Depreciation – Original Cost Method, Diminishing Balance Method, Revaluation Method, Machine Hour Rate Method, Annuity Method, Depreciation Fund Method, Insurance Policy Method, and Sum of Year Digit Method and Change of Depreciation Method and their effects.

### **Unit 6: Price Level Changes**

**LH 18**

- Concept of Price Level Changes – Inflation and Deflation
- Current Purchasing Power-accounting: Concept and Preparation of Financial Statements after Price Level Adjustments.
- Current Cost Accounting: Concept and determination
  - o Current Replacement Cost, Net Realizable Value of assets
  - o Depreciation Adjustment
  - o Holding Gains
  - o Inventory Adjustment
  - o Cost of Sales Adjustment
  - o Monetary Working Capital Adjustment
  - o Gearing Adjustment
  - o Current Cost Reserve
- Preparation of:
  - o Current Cost Profit and Loss Account
  - o Current Cost Balance Sheet

### **Unit 7: Long-term Planning – Capital Budgeting**

**LH 23**

- Capital Budgeting: Concept and need
- Types of investment Proposals: Mutually Related Project, Mutually Exclusive Project, New Project, Replacement, Diversification, Expansion, Research and Development, Miscellaneous
- Estimation of Cash Flow:
  - o Net Investment Cost of New Project
  - o Differential Net Investment for replacement and mutually exclusive projects
  - o Annual Net Cash Flow: Differential Net Cash Flow and Net Cash Flow for New Project
  - o Net Cash Flow for Final Year: non-operating and including annual cash flow after tax
- Methods of evaluation of investment proposal:
  - o Non-discounted Cash Flow Method
    - Playback Period
    - Average Rate of Return
  - o Discounted Cash Flow Method
    - Net Present Value
    - Profitability Index
    - Internal Rate of Return
    - Selection of Project based on profitability
- Determination of financing mix
  - o Leverage – its meaning and types
  - o Financial Leverage and effect on the shareholder's return: effect on EBIT and EPS
  - o Analysis of alternative financial plan EBIT – EPS analysis

### **Basic Books**

Gupta, R.L. & Radhaswamy, M., *Advanced Accounting*, New Delhi: S. Chand and Sons.  
Van Horne, *Financial Management and Policy*, New Delhi: Prentice Hall of India  
Pandey, I.M., *Financial Management*, New Delhi: Bikash Publishing House.

### **Reference Books**

Munankarmi, S.P., *Accounting for Financial Analysis and Planning*, Kathmandu: Samjhana Publication House.  
Koirala, Y.R. & et.al, *Accounting for Financial Analysis and Planning*, Kathmandu: Ashmita Publication.  
Shrestha, B.P. & Singh, Y.M., *Accounting for Financial Analysis and Planning*, Kathmandu: Buddha Academy  
Publication House,  
Dangol, R.M., *Accounting for Financial Analysis and Planning*, Kathmandu: Taleju Publishing House,  
Upadhyay, J.P. & Dahal, R., *Accounting for Financial Analysis and Planning*, Kathmandu:  
Khanal Publication.

Shukla, S.M., Grewal, T.S. & Gupta, S.P., *Advanced Accounting*, Agra: Sahitya Bhawan  
Shukla, S.M. Grewal, T.S. & Gupta, S.P. *Advanced Accounts*, New Delhi: S. Chand and Co.  
Khan, M.Y. & Jain, P.K. *Financial Management: Text and Problems*, New Delhi: Tata McGraw Hill Co.

# MGT 213: Principles of Management

Lecture hours: 150

Full Marks: 100

Pass Marks: 35

## Course Objectives

The basic objective of this course is to give a comprehensive knowledge to students about organization and help them understand the major functions, principles, and techniques of management. The course deals with basic functions like planning, organizing, leading, and controlling with special orientation to modern management practices which are essential to manage business successfully and other organizations.

## Course Description

This course contains the nature of organizations, introduction to management, evolution of management thought, environmental context of management, planning and decision making, organizing function, leadership, motivation, communication, control and quality management, global context of management, management trends and scenario in Nepal.

## Course Details

### Unit 1: The Nature of Organizations

LH 15

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

LH 10

Definition, characteristics, and principles of management. Process and functions of management. Managerial hierarchy. Types of managers. Managerial skills and roles. Emerging challenges for management.

### Unit 3: Evolution of Management Thought

LH 15

Introduction, contribution and limitation of Classical theory, Human relations and Behavioral science theories, System theory, Decision theory, Management science theory, and Contingency theory. Emerging management concepts: workforce diversity, outsourcing, knowledge management, learning organization.

### Unit 4: Environmental Context of Management

LH 16

Concept of business environment. Types of business environment – internal and external. Basic components of economic, socio – cultural, political, and technological environments. 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 Decision Making

LH 20

Concept, types, hierarchy of planning. Process and importance of planning. Strategic planning. Environmental scanning – concept and methods. SWOT analysis. Formulation and implementation of strategic plans. Quantitative tools for planning. Decision making – definition and approaches. Types of decisions. Decision making under conditions of certainty and uncertainty. Problem solving – concepts, types of problem. Problem solving strategies. Crisis handling. Decision making process. Group decision making.



**Unit 6: Organizing Function****LH 18**

Concept and principles of organizing. Approaches to organizing – classical, behavioural, and contingency. Process of structuring an organization. Departmentalization – meaning and types. Delegation of authority – meaning, features, advantages, and barriers. Centralization and decentralization – meaning, advantages and disadvantages. Concept of organic and mechanistic views of organization. Types of traditional organizational structures – simple functional, and divisional. Types of modern organizational structures – matrix, team, and network.

**Unit 7: Leadership****LH 16**

Concept and functions of leadership. Leadership styles. Approaches to leadership – trait, behavioral, and situational. Group formation. Types and characteristics of groups. Team management. Conflict – meaning and types. Managing conflicts in organization.

**Unit 8: Motivation****LH 8**

Concept. Theories of motivation – Need Hierarchy, and Motivation-Hygiene. Reward system to motivate performance. Motivation through employee participation – quality of work life, and self- managed teams.

**Unit 9: Communication****LH 6**

Concept, structure, and process. Types of communication – formal and informal. Interpersonal and nonverbal communication. Barriers to effective communication. Enhancing effective communication.

**Unit 10: Control and Quality Management****LH 11**

Concept, process, and types of control systems. Characteristics of effective control system. Quality control systems – concept of quality. Total Quality Management (TQM) – concept and tools. Deming management – principles and techniques.

**Unit 11: Global Context of Management****LH 8**

Concept of globalization. Methods of globalization. Effects of globalization. Multinational companies – meaning, types, advantages, and disadvantages.

**Unit 12: Management Trends and Scenario in Nepal****LH 7**

Growth of business sector in Nepal. Major industries in Nepal – manufacturing, export – oriented, import-substitution, and service sector. Existing management practices and business culture. Major problems of businesses in Nepal.

**Basic Books**

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

Hitt, Michael A., J. Black, Stewart, and Porter, Lyman W., *Management*, Pearson, India.

**Reference Books**

Pant, Prem Raj, *Principles of Management*, Kathmandu : Buddha-Academic Enterprises Pvt. Ltd.

Poudyal, S. R., Pradhan, G.M. & Bhandari, K. P., *Principles of Management*, Kathmandu:Asmita Books Publishers and Distributors (P) Ltd.,

Adhikari, D. R., *Principles of Management*, Kathmandu: Sunrise Publisher.

Agrawal, G. R., *Principles of Management*, Kathmandu: M.K. Publishers and Distributors.

Shrestha, A., *Organization Management*, Kathmandu: Educational Publishing.

Charles, W.L., Hill, S. Land McShane, S. L., *Principles of Management*, New Delhi: Tata McGraw Hill

Robins, S. P. and Coulter, M., *Management*, New Delhi: Prentice Hall of India.

Wehrich, H. and Koontz, H., *Management: A Global Perspective*, New Delhi: McGraw Hill.

James, A.F.S., Freeman,R. E., & Gillbert, D.R., *Management*, New Delhi: Pearson.

