

COURSE DESCRIPTION

BED1100 Business Economy I

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| 1. Degree | Bachelor of Advertising and Brand Marketing Bachelor of Hotel and Relationship Management Bachelor of Innovation and Entrepreneurship Bachelor of Marketing and Internationalization Strategies Bachelor of Marketing and Sales Management Bachelor of Tourism and Relationship Management |
| 2. Year/semester | 1st semester BA of Advertising and Brand Marketing 3rd semester BA of Hotel and Relationship Management 2 nd semester BA of Innovation and Entrepreneurship 1st semester BA of Marketing and Internationalization 1st semester BA of Marketing and Sales Management 4th semester BA of Tourism and Relationship Management |
| 3. Credits | 10 |
| 4. Course instructor | Assistant Professor Terje Grann |
| 5. Contact hours | 50 hours |
| 6. Course prerequisites | None |
| 7. Learning goals | The student will obtain knowledge of economic management while getting a basic understanding for the most important business economic terms through cost estimate, cost overview, price as competitive weapon, market adjustment, calculation by various methods (full cost and contribution method), break even analysis and budgeting. Student will be able to participate in the decision making process within various areas in the economic enterprise. |
| 8. Course contents | Enterprise environment Economical problems Basic propositions |

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| Financial activities |
| The enterprise |
| Goals and means |
| The economic management processes |
| The industrial enterprise |
| The commercial enterprise |
| The service rendering enterprise Choosing company variant |
| Enterprise costs |
| Time limitations |
| Material costs |
| Wages, holiday pay and employer fee |
| Value-added tax (VAT) |
| Deprecation |
| Further enterprise costs |
| Calculated costs |
| Cost periode |
| Regular, variable and total costs |
| Border costs |
| Direct and indirect costs |
| Alternative costs |
| Income generation |
| Competition variants and markets |
| Price |
| Strategic pricing |
| Customer/pricing |
| Product life cycle/pricing |
| Marketing mix/pricing |
| Price psychology |
| Ethics/pricing |
| Income, costs and revenue – a theoretical and mathematical model |
| Monopoly |
| Optimal competition |

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| <p>Product calculation</p> <p>Full cost</p> <p>Methods</p> <p>Division calculation</p> <p>Additional calculation</p> <p>Full cost method</p> <p>Contribution method</p> <p>Cost – revenue – volume analysis (coverage analysis)</p> <p>Conditions</p> <p>Contribution margin</p> <p>Contribution ratio</p> <p>Break even point</p> <p>Risk margin – security margin</p> <p>Contribution diagram</p> <p>Consequences of altered conditions</p> <p>Product choice</p> <p>Available product capacity</p> <p>Maximum production capacity</p> <p>Reductions</p> <p>A bottleneck</p> <p>Budgeting</p> <p>Levels of planning</p> <p>The strategic process</p> <p>The strategic plan of the enterprise</p> <p>The planning cycle of the enterprise</p> <p>The budget in question and budget coherence</p> <p>Main budgets</p> <p>Revenue budgets</p> <p>Cash flow budgets</p> <p>Control</p> <p>Analysis of accounting</p> <p>Traditional finance analysis</p> <p>Profitability</p> |
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| | <p>Cash flow</p> <p>Reasons for bad cash flow</p> <p>Solidity</p> <p>Investments</p> <p>Investment variants</p> <p>Investment processes</p> <p>Finacial durability</p> <p>Cash value</p> <p>Methods</p> <p>Present value</p> <p>Internal interest</p> <p>Pay-back</p> <p>Annuity</p> |
| 9. Method of instruction | 50 contact hours with lecturer including plenaries and individual counselling, singularly and in groups. Also included are discussions and active use of case/assignments. Students also have to do group work and presentations in class. |
| 10. Assessment | Group assignment (max 3 persons) – Pass/Fail 3 h written ind. – 100 % of final grade. |
| 11. Course syllabus | <p>Hoff, Kjell Gunnar. 2005. <i>Bedriftens økonomi</i>. 6. utg. Oslo: Universitetsforlaget. ISBN: 978-82-15-00775-5. Pages: 544. Pris: 479,-.</p> <p>Hoff, Kjell Gunnar, og Jan Erik Hoff. 2005. <i>Arbeidsbok til Bedriftens økonomi: oppgaver og løsningsforslag</i>. Oslo: Universitetsforlaget. ISBN: 978-82-15-00776-2. Pages: 319. Pris: 299,-.</p> |
| 12. Recommended reading | None |