

COURSE DESCRIPTION

BED1100 Business Economy I

1. Degree	Bachelor of Advertising and Brand Marketing Bachelor of Hotel Management Bachelor of Innovation and Entrepreneurship Bachelor of Marketing and Internationalization Strategies Bachelor of Marketing and Sales Management Bachelor of Tourism Management
2. Year/semester	1 st semester BA of Advertising and Brand Marketing 3 rd semester BA of Hotel Management 2 nd semester BA of Innovation and Entrepreneurship 1 st semester BA of Marketing and Internationalization 1 st semester BA of Marketing and Sales Management 3 rd semester BA of Tourism 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 Financial activities

<p>The enterprise</p> <p>Goals and means</p> <p>The economic management processes</p> <p>The industrial enterprise</p> <p>The commercial enterprise</p> <p>The service rendering enterprise Choosing company variant</p> <p>Enterprise costs</p> <p>Time limitations</p> <p>Material costs</p> <p>Wages, holiday pay and employer fee</p> <p>Value-added tax (VAT)</p> <p>Deprecation</p> <p>Further enterprise costs</p> <p>Calculated costs</p> <p>Cost periode</p> <p>Regular, variable and total costs</p> <p>Border costs</p> <p>Direct and indirect costs</p> <p>Alternative costs</p> <p>Income generation</p> <p>Competition variants and markets</p> <p>Price</p> <p>Strategic pricing</p> <p>Customer/pricing</p> <p>Product life cycle/pricing</p> <p>Marketing mix/pricing</p> <p>Price psychology</p> <p>Ethics/pricing</p> <p>Income, costs and revenue – a theoretical and mathematical model</p> <p>Monopoly</p> <p>Optimal competition</p> <p>Product calculation</p>
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Full cost
Methods
Division calculation
Additional calculation
Full cost method
Contribution method
Cost – revenue – volume analysis (coverage analysis)
Conditions
Contribution margin
Contribution ratio
Break even point
Risk margin – security margin
Contribution diagram
Consequences of altered conditions
Product choice
Available product capacity
Maximum production capacity
Reductions
A bottleneck
Budgeting
Levels of planning
The strategic process
The strategic plan of the enterprise
The planning cycle of the enterprise
The budget in question and budget coherence
Main budgets
Revenue budgets
Cash flow budgets
Control
Analysis of accounting
Traditional finance analysis
Profitability
Cash flow

	<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	<p>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.</p>
10. Assessment	<p>Group assignment (max 3 persons) – Pass/Fail</p> <p>3 h written ind. – 100 % of final grade.</p>
11. Course syllabus	<p>Hoff, Kjell Gunnar. 2005. <i>Bedriftens økonomi</i>. 6. utg. Oslo: Universitetsforlaget. ISBN: 978-82-15-00775-5. (544 p.) Price: 499,-</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. (319 p.) Price: 299,-</p>
12. Recommended reading	