

Far Western University
Faculty of Management
Master of Business Studies (MBS)Program

Course Details of Third Semester
(Syllabus: MBS 3rd Semester)



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Far Western University
Faculty of Management
Master of Business Studies (MBS) Program
Semester-wise Course Cycle (2021)

Semesters	Course Code	Name of course	Credit hours	
Semester I	MGT 511	Statistical Analysis for Business	3	
	MGT 512	Managerial Economics	3	
	MGT 513	Organizational Behavior	3	
	MGT 514	Business Communication	3	
	MGT 515	Management Accounting	3	
Semester II	MGT 521	Financial Management	3	
	MGT 522	Marketing Management	3	
	MGT 523	Entrepreneurship	3	
	MGT 524	Human Resource Management	3	
	MGT 525	Financial Accounting for Managerial Decisions & Control	3	
Semester III	MGT 531	Management Information System	3	
	MGT 532	Operations Management	3	
	MGT 535	Research Methods for Business	3	
		Specialization (Two subjects from any One specialisation area)		
		Finance		
	FIN 564	Financial System in Nepal	3	
	FIN 565	Investment Analysis and Portfolio Management	3	
	FIN 566	Corporate Finance	3	
	FIN 567	Management of Cooperative and Micro Finance Institutions	3	
		Marketing		
	MKT 564	Consumer Behaviour	3	
	MKT 565	Advertisement & Sales Promotion	3	
	MKT 566	E-Marketing	3	
	MKT 567	Sales and Distribution Management	3	
		Accounting		
	ACC 564	Advanced Management Accounting	3	
	ACC 565	Accounting Information System	3	
	ACC 566	Corporate Tax Planning	3	
	ACC 567	Corporate Accounting	3	
		General Management		
	GMT 564	Quality Management	3	
	GMT 565	Operation and Process Management	3	
	GMT 566	Project Management	3	
	GMT 567	Supply Chain Management	3	
	Semester IV	MGT 541	Strategic Management	3
		MGT 542	Business Environment in Nepal	3
		MGT 543	Global Economy and International Business	3
		Specialization (One subject from specialisation area)		
		Finance		
FIN 568		Financial Markets & Institutions	3	
FIN 569		Commercial Bank Management	3	
FIN 570		International Finance	3	
		Marketing		
MKT 568		Service Marketing	3	
MKT 569		Strategic Brand Management	3	
MKT 570		Fundamentals of Rural Marketing	3	
		Accounting		
ACC 568		Financial Reporting and Analysis	3	
ACC 569		Advanced Auditing	3	
ACC 570		Cost Management	3	
		General Management		
GMT 568		Recent Trends in Management	3	
GMT 569		Business Analysis and Decision Making	3	
GMT 570		Performance and Reward Management	3	
		Thesis		
MGT 546		Thesis	3	
		Total	60	

Management Information System

Program/Semester: MBS/Third Semester

Course Title: Management Information System

Course Code: MGT 531

Credit Hours: 3

Lecture Hours: 45

Course Objectives

The purpose of this course is to introduce the principles of information systems for managing data and information, enhancing management decision-making and applying information systems for managing the changing environment of business.

Course Description

In line with the objectives, this course deals with the introduction to computers, information technology infrastructures, data resource management and relational database management system, computer network and telecommunications in business, enterprise information systems and supporting decision making, e-business systems and e-commerce systems and security and ethical challenges in information systems.

Learning Outcomes

Upon successfully completing this course, a student will be able to do the following:

- Narrate the basic concepts and technologies used in the field of management of information systems.
- Explain and apply key enabling technology infrastructures.
- Explain applications such as the internet and telecommunications in solving organizational problems.
- Apply the understanding of data resource management and relational database management system work together to accomplish the information objectives of an organization.
- Compare the processes of enterprise information systems and supporting decision-making.
- Describe the role and implications of e-business systems and e-commerce systems.
- Outline the role of the ethical, social, and security issues of information systems.

Course Contents

Unit 1: Introduction to Computer Applications

LH 8

Concept of computer technology, definition of computer, characteristics, advantages and drawbacks of computers, business application of computers, evolution and generations of computers; anatomy of computers: major components (processor, memory, input/output, secondary storage) with brief overview; types of computers on the basis of model, operation, size and brand; data representation: binary number system, binary addition and subtraction, complements, arithmetic's with complements.

Unit 2: Information Technology Infrastructures

LH 6

Concept and components of IT infrastructure; computer hardware; computer systems; Computer systems and enterprise computing; computer peripherals: input, output and storage technologies; computer software: concept and types of software system, business application software, software alternatives, contemporary hardware and software trends; phases of system development life cycle: feasibility study, system analysis, system design, system specification, end user development and system implementation.

Unit 3: Database and Relational Database Management System

LH 7

Definition and terminologies, need of data management, data management approaches; file

management system: definition, limitations and benefits of file management systems; database management systems: database, DBMS, database systems, advantages and drawbacks, database languages, data models, ER diagram, concept of normalization; business intelligence and data: data warehouse, data mart, data mining, purpose of data mining, multidimensional data, OLAP; Database system architectures: centralized systems, client server systems, distributed database systems.

Unit 4: Computer Network and Telecommunications in Business **LH 6**

Network and telecommunication: definition, data vs signal, communication processors (Modem, Multiplexer, Front end Processors), types of networks, value added networks; communication channels: guided and unguided transmission media and their characteristics and applications; Networking components: Repeater, Amplifiers, Hub, Switch, Bridge, Router, LAN card, gateway; Network topologies: Bus, Ring, Star, Mesh, Tree and Hybrid Topology along with advantages and drawbacks; Network architectures: Peer to Peer, Client Server, Distributed; Protocols: OSI reference model, TCP/IP, application layer protocols (HTTP, FTP, Telnet, SMTP).

Unit 5: Information and Decision Supporting Systems **LH 5**

Concept of information systems and enterprise systems; types of information systems in the organisation: TPS, DSS, MIS and ESS, functional perspective of information systems; strategic uses of information systems; economic organisational and behavioural impacts; IT impact on decision making; leveraging technology in the value chain; Strategic information systems (SIS); developing IT strategies and IT solutions; outsourcing the IT functions.

Unit 6: E-business and E-commerce Systems **LH 7**

Concept of e-business and e-commerce, pure vs partial e-commerce, e-commerce application trends, unique features of e-commerce, e-marketing; types of e-commerce: business to business, business to consumer, consumer to business, consumer to consumer; revenue generation models in e-commerce: brokerage model, buyer aggregator model, advertising model, community model; mobile computing and commerce: mobile computing technology, mobile financial services, mobile shopping; electronic payment systems: e-cheque, e-cash, credit cards, smart cards; requirements of electronic payment systems.

Unit 7: Security and Ethical Challenges in Information Systems **LH 6**

Technology ethics, ethical guidelines, computer crimes (hacking, cyber theft, unauthorized access, software piracy, piracy of intellectual property, computer viruses and worms); privacy issues: privacy on the internet, computer matching, privacy laws, computer libel and censorship; other challenges: emplacement challenges, computer monitoring challenges, challenges in working conditions, challenges to individuality and health issues; tools for security management, internetwork security defences (encryption, firewalls, denial of service defences, e-mail monitoring, virus defences).

Project/practical work – as per the project work/practical manual.

Prescribed textbooks:

Laudon, Kenneth C., Laudon, Jane P. (2013). *Management information systems, 12th ed.* United Kingdom: Pearson Education Ltd.

O'Brien, J. A., & Marakas, G. M. (2006). *Management information systems.* Boston: McGraw-Hill Irwin.

Suggested reference:

R. Kelly Rainer, Efraim Turban & Richard E. P. (2006). *Introduction to information systems: supporting and transforming business.* John Wiley & Sons.

Operations Management

Program/Semester: MBS/Third Semester

Course Title: Operations Management

Course Code: MGT 532

Credit Hours: 3

Lecture Hours: 45

Course Objectives

The students will develop an understanding of manufacturing and operations functions. They will learn to design, plan, operate and control manufacturing, production and operations systems. The course requires the use of analytical techniques to develop critical thinking and to sharpen decision-making skills. The students will have the opportunities to apply what they are learning to practice problems.

Course Description

This course introduces major concepts and tools used in the design and use of operations systems in organizations. It introduces the discipline and the role the function plays in a value-creating organization. Emphasis is given both to familiarization of various production processes and service systems, and to quantitative analysis of problems/ issues arising in the management of operations. Topics include an introduction to operations and productivity, competitiveness, strategy and productivity, product and service design, capacity planning, process selection and facility layout, quality management, inventory management, JIT and lean operations and waiting time management. The topics are integrated using a systems model of the operations of an organization.

Learning Outcomes

Successful completion of the course will empower the students to be able to improve just about any process in any area of the business. At the end of the course, the students will be able to:

- Appreciate the strategic role of Operations Management in creating and enhancing a firm's competitive advantages
- Understand key concepts and issues of Operations Management in both manufacturing and service organizations
- Analyse business processes in services and manufacturing for improvement
- Identify the operational issues in the value-addition processes of a firm
- Apply analytical skills and problem-solving tools to resolve the operational issues

Course Contents

Unit 1: Introductions to Operations Management

LH 4

Concept of operations management, production of goods versus providing services, importance of operations management, operations management and decision making, historical evolution of operations management, key issues for today's business operations.

Unit 2: Competitiveness, Strategy and Productivity

LH 5

Concept of competitiveness, mission and strategies, operations strategy, implications of organization strategy for operations management, global operations, productivity: production vs productivity, measurement of output, types of productivity.

Unit 3: Product and Service Design

LH 5

Concept of product design, idea generation, legal and ethical considerations, global product and service design, environmental factors, phases in product design and development, designing for production and service design.

Unit 4: Capacity Planning, Process Selection, Facility Location and Facility Layout

LH 10

Capacity planning: concept of capacity planning, capacity decisions, defining and measuring capacity, determinants of effective capacity, forecasting capacity requirements, forecasting techniques, challenges of planning service capacity, making or outsourcing, constraint management, evaluating alternatives; process Selection: concept, technology and process strategy; facility location: facility location decision and location selection techniques; facility layout: concept, designing product layouts and designing process layouts.

Unit 5: Quality Management

LH 7

Concept and evolution of quality management, quality awards and certifications, total quality management, quality tools, inspection and statistical quality control.

Unit 6: Inventory Management

LH 6

Inventory management: Nature and importance of inventories, requirements for effective inventory management, inventory ordering policies, economic order quantities, reorder point, fixed order interval model, single period model.

Unit 7: Lean Operations and Waiting Time Management

LH 8

Lean Operations: concept, supporting goals, building blocks, lean tools, transitioning to a lean system, lean services and JIT; Waiting Time Management: concept, managerial implications of waiting situations, goals of waiting time management, characteristics of waiting lines, measures of waiting line performance, queuing model (single server, exponential service time).

Prescribed textbooks:

Stevenson, W. *Operations Management: 9th Edition*, Tata McGraw Hill Education Private Limited.

Suggested references:

Krajewski L. J. and Malhotra M. K. (2022). *Operations Management: Process and Supply Chains*, Pearson Education Inc.

Gaither N. and Gaither F.: *Operations Management, 9th Edition*, Cengage Learning India Private Limited.



Research Methods for Business

Program/Semester: MBS/Third Semester

Course Title: Research Methods for Business

Course Code: MGT 535

Credit Hours: 3

Lecture Hours: 45

Course Objectives

This course provides theoretical and practical preparation for business research. It aims to broaden and deepen the understanding of different research approaches and methodologies in order to prepare students for their own research projects. This course will enable students to select a research topic, conduct initial research to develop appropriate problem statements, research questions, and hypotheses so that an appropriate research method can be selected.

Course Description

The course gives an overview of the research process including research problem definition, research design, data collection, data analysis, writing of reports and ethical issues involved. This course is meant to be a foundation to the thesis project that the students are expected to do in their final semester of management studies.

Learning Outcomes

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

- Develop an understanding of the basic framework of research process;
- Generate research topics, formulate research questions and hypothesis;
- Conduct literature review; design research and identify possible errors;
- Assess measurement and scaling options to determine appropriate measures required to address specific research questions and apply proper sampling methods and procedures to business research;
- Understand and apply quantitative research in business research;
- Compare and contrast qualitative and quantitative research methods and the suitability of these methods for gathering data;
- Apply appropriate descriptive as well as inferential techniques to analyse quantitative data;
- Report, present, analyse and interpret qualitative data and
- Effectively communicate research in a written report and presentation.

Course Contents

Unit 1: Foundations and Fundamentals of Research

LH 5

Meaning of research; nature and types of research; scientific research – concept and characteristics; scientific research process; emerging paradigms in research - positivism vs interpretivism; approaches to research – quantitative and qualitative; business research – role and value of business research; types of business research; applying scientific thinking to business research; ethical concerns in research.

Unit 2: Literature Analysis and Theoretical Framework

LH 5

Concept, purpose and need for literature review; steps in the review process; sources of literature; literature search through the internet; theoretical and conceptual framework– concept and its role in research; research and theory – concept, construct, proposition and variables; reasoning - deduction and induction.

Unit 3: Research Problem and Hypothesis Formulation

LH 4

Research problem – concept, steps and characteristics; research questions; hypothesis – concept, functions, importance and types; hypothesis formulation process; criteria of good hypothesis formulation.

Unit 4: Research Design

LH 5

Concept, elements and types; exploratory, descriptive, developmental, correlational, causal-comparative and experimental research designs; research design errors; qualitative research – concept, assumptions, features of qualitative research; types of qualitative research designs (grounded theory, ethnography, case study, phenomenology); criteria of good research design.

Unit 5: Measurement, Scaling and Sampling Techniques

LH 10

Concept of measurement and scaling; scales of measurement – nominal, ordinal, interval and ratio; scale construction for attitude measurement; scales commonly used in business research; validity and reliability of measurement; sources of measurement problems; scales commonly used in business research; sampling – concept and process; population, sampling frame, sample bias; statistical terms in sampling - statistic, parameter; sampling distribution; probability and non-probability sampling; probability sampling: (simple random sampling; stratified random sampling; systematic random sampling; cluster random sampling; multi-stage sampling), non-probability sampling: (convenience sampling; judgment sampling; quota sampling; snowball sampling), sample size determination; sampling and non-sampling errors.

Unit 6: Data Collection and Analysis

LH 8

Data and its types; nature of data – primary and secondary; sources of secondary and primary data; questionnaire – principles, design, types and components; pre-testing and administration; research interview – structured, semi-structured and unstructured; principles and guidelines for interviewing; types of research interviews; computer-assisted interviewing; sources of qualitative data; observation – concept and methods; focus groups; e-research using internet and websites; e-mail surveys.

Data preparation – coding, classification and tabulation; organizing data for computer entry; quantitative data analysis; statistical analysis of data – descriptive and inferential statistics; statistical testing of hypothesis; qualitative data analysis – content analysis, narrative analysis and thematic analysis.

Unit 7: Reporting Research

LH 8

Research proposal – concept and functions; types of research proposals; components and structure of research proposals; research report writing - concept and process; types and phases of the research report; procedures for writing; style of writing; conventions of academic writing; layout of the research report; documenting sources; citations and references; APA method of citation; APA references; essentials of good research reports.

Prescribed textbooks:

Cooper, D, R, & Schindler, P. M. *Business Research Methods*. New Delhi: Tata McGraw Hill,

Zikmund, W, G, *Business Research Methods*. New Delhi: Thomson.

Pant, Prem R. *Social Science Research and Thesis Writing*. Kathmandu: Buddha Publications.

Suggested references:

Kumar, R. *Research Methodology: Step-by-step Guide for Beginners*. New Delhi: Pearson Education.

Sekaran, U. and Bougie, R. *Research Methods for Business*. New Delhi: Wiley & Sons.

Neuman, W.L. (2006). *Social Research Methods: Qualitative and Quantitative Approaches*. Boston: Pearson Education.

Bryman, A. & Bell, E. *Business Research Methods*. New Delhi: Oxford University Press.



Corporate Finance

Program/Semester: MBS/Third Semester

Course Title: Corporate Finance

Course Code: FIN 566

Credit Hours: 3

Lecture Hours: 45

Nature: Specialization

Course Objectives

The purpose of this course is to impart knowledge and analytical skills of corporate finance on raising funds most effectively by a corporate firm. At the completion of this course, the students will have a clear understanding of the issues of financing decisions and analyze the impact of capital structure on the value of the firm and cost of capital, raise capital from the capital market by issuing securities.

Course Description

This course covers the concept of corporate financing decisions and their impact on the value of the firm, short-term financing, common stock financing, long-term debt and preferred stock financing, theory of capital structure, lease financing and warrants and convertibles.

Learning Outcome

On completion of the course, students are expected to:

- Understand how the value of a firm is affected by the corporate financing decisions
- Evaluate different sources of short-term financing and use appropriate source
- Understand the strategies of obtaining long-term financing through the issuance of common stock, preferred stock and long-term debt
- Evaluate the refunding decisions related to long term debt and preferred stock
- Analyse the impact of capital structure on the value of the firm
- Evaluate lease-versus-buy decision
- Use warrants and convertibles as a hybrid source of long-term financing

Course Details

Unit 1: Introduction

LH 5

Concept of corporate financing decisions, the impact of financing decisions on value of the firm, sources of long-term and short-term financing, concept of capital structure and financial structure, concept and features of optimal capital structure, factors affecting the capital structure, concept of an efficient market.

Unit 2: Short-term Financing

LH 8

Concept and features of short-term financing; concept, features and cost of financing of unsecured sources of financing- accruals, trade credit, issue of commercial papers, bank loan, unsecured transaction loans; concept, features, methods and cost of financing of secured sources of financing- inventory and receivable financing; short-term financing practices in Nepal.

Unit 3: Common Stock Financing

LH 6

Public offering of common stock: Initial public offering, further public offering and right offering;

the theoretical value of a right, the effect of rights offering on shareholders' wealth; effect of rights offering on the financial statement of a firm; Private equity market and venture capital, Pros and cons of common stock financing, financing a fledgling and venture capital.

Unit 4: Long-term Debt and Preferred Stock Financing **LH 6**

An overview of long-term debt financing, pros and cons of long-term debt financing, major long-term debt instruments, term loan and bonds, preferred stock financing – features, pros and cons; bond and preferred stock financing practices in Nepal, refunding decisions- refunding of bond and preferred stock.

Unit 5: Theory of Capital Structure **LH 7**

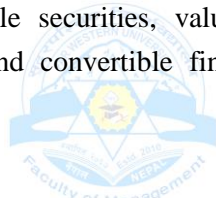
An overview of capital structure theory – assumptions and definitions; leverage and value of a firm; approaches of capital structure theory; Modigliani-Miller position and capital structure; taxes and capital structure; effect of bankruptcy costs and other imperfections, incentive issues and agency costs; financial signaling; the pecking order of financing.

Unit 6: Lease Financing **LH 7**

Concept and essential features of lease, types of lease, Competitive lease rent lease, accounting and tax treatments of leases, net advantages of leasing (NAL), cashflow analysis and lease-versus-purchase decision by using NPV and IRR methods.

Unit 7: Warrants and Convertibles **LH 6**

Valuation of warrants; convertible securities, valuation of convertible securities, effect of bonds/debentures with warrant and convertible financing; reasons for issuing warrants and convertibles.



Prescribed text books:

Brigham, E. F. & Ehrhardt, M. C. *Financial management: Theory and practice*. New Delhi: Cengage Learning India.

Van Horne, J. C. & Dhamija, S. *Financial management and policy*. New Delhi: Dorling Kindersley (India) Pvt. Ltd.

Suggested references:

Brealey, R., Myers, S. C., Allen, F. & Mohanty, P. *Principles of corporate finance*. New Delhi: McGraw-Hill Book Company.

Rose, S. A., Westerfield, R. W., Jaffe, J. & Kakani, R. K. *Corporate finance*. New Delhi: McGraw-Hill Education (India) Pvt. Ltd.



Investment Analysis and Portfolio Management

Program/ Semester: MBS/ Third Semester

Course Title: Investment Analysis and Portfolio Management

Course Code: FIN 565

Credit Hours: 3

Contact Hours: 45

Nature: Specialization

Course Description

This course creates sound background for investing in securities. It does so by providing basic knowledge on investment environment, investment alternatives, and the markets for securities. It lays foundation for investing by dealing with the portfolio theory and assets pricing models. The course also covers valuation of securities and analysis of the economy, industry and company. Each unit of the course will be dealt with relevant examples drawn from domestic as well as international markets. These inputs provide students an understanding of the concept and principles of investment and portfolio management together with analytical ability required for investment decision making.

Course Objectives

The objective of this course is to provide the students with knowledge of principles and theories of investment and develop analytical skills for appraisal of securities for investment. It enables students to analyze markets and securities for optimal allocation of investible funds.

Learning Outcomes

On completion of the course, students are expected to be able to:

- Scan the investment environment
- Understand how securities are traded and securities markets operate
- Form optimal portfolios of risky and risk-free assets
- Understand assets pricing models and apply them to predict assets prices
- Analyse bonds and stocks for investing
- Analyse the economy and the industry for investment
- Analyse the financial statements of the company

Course Details

Unit 1: The Investment Environment

LH 4

Types of investment; investment process; financial markets and the economy; recent trends in investment; ethical issues in investing; and investment environment in Nepal.

Unit 2: Financial Market and Trading of Securities

LH 6

Market and Instruments: the money market and capital market; equities securities; stock and bond market indexes. Trading of Securities: issue of securities; trading of securities; markets for trading securities—trading on exchanges, trading on the OTC market; trading costs; buying on margin; short sales; and regulation of securities markets.

Unit 3: Portfolio Management

LH 7

Risk Aversion: risk and risk aversion; capital allocation across risky and risk-free portfolios;

portfolios of one risky and a risk-free asset; the capital market line; portfolio of two risky assets. Optimal Risky Portfolios: diversification and portfolio risk; the Markowitz portfolio selection model.

Unit 4: Assets Pricing Models

LH 7

The Capital Assets Pricing Model (CAPM): the capital assets pricing model; assumptions of CAPM; the risk premium of the market portfolio; expected return on individual securities; the securities market line; the CAPM and the investment industry; Arbitrage Pricing Theory (APT): single factor and multifactor models, the arbitrage and the CAPM.

Unit 5: Bond Pricing and Equity Valuation

LH 10

Interest rate as a determinant of the price of financial securities; term structure of interest rates; measuring the forward rates; bond pricing, bond yields, bond price overtime, default risk and bond pricing; interest rate risk, convexity, passive bond management and active bond management. Equity valuation: valuation by comparable, intrinsic value versus market price, dividend-discount models, price-earnings ratio, free cash flow valuation approaches, the aggregate stock market.

Unit 6: Investing in Mutual Fund

LH 5

Types of investment companies; Organization and functioning of mutual funds; net assets value, holding period return, load fees and service charges and other considerations while investing in mutual funds; measuring the performance of mutual funds; Mutual funds in Nepal.

Unit 7: Macroeconomic, Industry and Company Analysis

LH 6

The global economy; the domestic macro-economy; demand and supply shocks; government policy; business cycles; and industry analysis; company analysis - the major financial statements, measuring firm performance, profitability measures, ratio analysis, economic value added, comparability problems, Value investing: the Graham technique.

Prescribed text books:

Bodie, Z., Kane, A., Alan, M. J. & Mohanty, P. Investments (12th ed). New Delhi: Tata McGraw Hill.

Suggested reference:

Reilly, F. K. & Keith, C.B. Investment analysis and portfolio management (10th ed). New Delhi: Cengage Learning (India) Private Limited.

