This unit presents a critical set of principles and tools to assist managers to make informed decisions in an environment of economic risk and uncertainty. The unit introduces the basic elements of microeconomics and macroeconomics in terms of understanding the economic basis of business and strategic decision making through the application of economic principles to the role of the modern manager. Built around contemporary business experience and informal case studies, topics include supply and demand; market structures; contemporary market issues; the macroeconomic environment; money and financial markets; interest rates; inflation and unemployment; exchange rates; and a range of topical economic issues.
Contact details

<table>
<thead>
<tr>
<th>Unit Web Site URL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Lecturer’s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Email: <a href="mailto:jimwirya@cbn.net.id">jimwirya@cbn.net.id</a></td>
</tr>
<tr>
<td>Phone: 62-21-565-5806</td>
</tr>
<tr>
<td>Mobile phone: 62-816-484-3691</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consultation Hours:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Saturday, 12.00 – 13.00 (by appointment)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Room:</th>
</tr>
</thead>
<tbody>
<tr>
<td>UWA Faculty Room</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Lecture Times:</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.30 – 15.00, Saturdays only</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Lecture Venue:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building M UNTAR, 2nd floor</td>
</tr>
</tbody>
</table>

Your lecturer

Nizam “Jim” Wiryawan, Ph.D

Jim worked with several major US MNCs like Bristol-Myers/Mead Johnson (currently known as Bristol Myers-Squibb), S.C.Johnson & Son/J.Wax, Johnson & Johnson, as well as with some European and Indonesian companies here in Jakarta and overseas, in Sales, Marketing, Export, Distribution and General Management. His latest executive position was as President Director with a Sumitomo-owned chemical manufacturing and marketing company with export to various parts of the world. His first degree was obtained from the University of Indonesia; his Ph.D from the University of South Australia, Adelaide.

He has been teaching courses in the undergraduate and postgraduates levels in state-owned (University of Indonesia) and private universities including UNTAR in Jakarta since 1996. Besides that, he has performed some research in management especially in international marketing/international business, and his works have been presented in international seminars and journals. His interest is international marketing management and international business. He is currently serving as Lecturer with the Postgraduate Master of Management Program, the University of Tarumanagara.
Introduction

This unit is entitled Economic Management and Strategy 503. Its aim is to provide an understanding of Economics to managers so that they have the knowledge they need to interpret the economy, and the place of their organisation within it. It will provide the economic tools to enhance management decision making and develop understanding essential to strategic decision making.

The theory and the concepts are simple, and the focus will be to provide a framework to interpret the economic information (and misinformation) that abounds in most economies of the world. The modern manager needs to understand the economic environment in which decisions are made and how it might affect these decisions, without necessarily being able to undertake formal economic analysis on any particular aspect of the economy.

It is not intended that this unit transform experienced managers into economists by teaching economic theory, and then practicing it in a theoretical context. Answers provided by economics are rarely definitive, while practical knowledge should be applied to them to suit business situations.

You are expected to read the text and related material, and gain an understanding of the theory, both from your own background knowledge and, once you have this understanding, you will be expected to apply it to the process of management decision-making. These latter expectations are what will be undertaken in the classes. The most valuable knowledge you will receive, and the techniques you derive will be those you develop yourself during this unit.

The goal of the unit

This unit introduces the concepts and methods of Economics as they contribute to managers’ skills and abilities, to assist in informed decision-making.

If there are some goals of the unit, they could be described to assist managers to:

- Develop a pattern of thought that allows managers to use simple concepts, frameworks and theories of Economics to complement their existing skills and abilities, and to assist in the decision-making process.

- Understand the background to what is being reported in the financial media.

- Have sufficient knowledge to ask an economist or economist analyst the questions that will provide suitable data to include in decision-making.

- Understand what their economist or economic analyst is actually saying on any particular matter.
Broad learning outcomes

On completion of this unit, you should be able to:

- Observe what is happening in a business context, and be able to identify the elements of that situation where Economics can assist in the analysis.
- Use simple economic frameworks to provide data for the decisions that must be made.
- Integrate Economics with other management skills in a “tool box” approach to using all available methods to solve business problems.
- Use a strategic economic framework in your decision making.

Prerequisites

There are no prerequisites for this unit.

Software requirements

There are no software requirements for this unit.

Textbook(s)


Key dates

1st October 2005  Class Commences
17th December 2005  Final Examination
17th December 2005  Paper Submission
## Seminar topics

<table>
<thead>
<tr>
<th>Session</th>
<th>Date</th>
<th>Topics</th>
</tr>
</thead>
</table>
| 1       | 1st October| **Topic One. Economics**  
Economics and economic goals  
Goals of allocation and distribution processes  
Production Possibilities Frontier  
The nature of economic theory  
Opportunity costs  
Using economic models to solve economic problems  
**Microeconomics vs Macroeconomics**  
The difference between microeconomics and macroeconomics |
| 2       | 8th October| **Topic Two. Demand and Supply Analysis**  
Demand and supply as concepts  
Determinants of supply and demand  
Changes in demand vs changes in the amount demanded  
Supply, demand and equilibrium  
Government interference and its consequences |
| 3       | 15th October| **Topic Three. Elasticity**  
Point and arc elasticity  
Price and income elasticity of demand  
Determinants of supply and demand elasticity  
The total revenue test |
|         |            | **Topic Four. The Business Cycle and Economic Forecasting**  
Optimisation and economics theory  
Demand analysis and optimisation  
Leading, concurrent and lagging indicators |
| 3       | 15th October| **Topic Five. Theory of the Firm**  
**Production Theory**  
The production function  
Production in the long run and the short run  
Total product, marginal product and average product  
Law of diminishing marginal returns  
**Cost Theory**  
Total, average, and marginal costs  
Fixed vs variable costs  
The relationships between product and cost curves  
Total and per unit cost curves  
Profit maximisation |
|         |            | **Profit**  
Normal and economic profit  
Explicit (accounting) and implicit costs |
<table>
<thead>
<tr>
<th>Topic Six.</th>
<th>The Firm in Action</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Perfect Competition</strong></td>
<td>The short run output decision</td>
</tr>
<tr>
<td>Total revenue, marginal revenue and marginal revenue</td>
<td>Short run profit maximisation</td>
</tr>
<tr>
<td>Short run supply curve and the marginal cost curve</td>
<td>Market supply curve</td>
</tr>
<tr>
<td>Short run and long run for the firm and the market</td>
<td>Equilibrium conditions in the short run and the long run</td>
</tr>
<tr>
<td>Derivation of firm and market supply curves</td>
<td>Efficient production and optimal allocation of society’s resources</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4</th>
<th>22nd October</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Imperfect Competition</strong></td>
<td>Monopoly</td>
</tr>
<tr>
<td>The firm and the market in the short run and the long run</td>
<td>Possible short run equilibria</td>
</tr>
<tr>
<td>Long run equilibrium</td>
<td>Natural and artificial barriers to entry</td>
</tr>
<tr>
<td>Deadweight loss caused by monopoly</td>
<td>Regulation of monopoly markets</td>
</tr>
<tr>
<td>Price discrimination and monopoly profit</td>
<td><strong>Monopolistic Competition</strong></td>
</tr>
<tr>
<td>The firm and the market in the short run and the long run</td>
<td>Possible equilibrium outcomes in the short run</td>
</tr>
<tr>
<td>The firm’s adjustment process from the short run to the long run</td>
<td>Normal profits in the long run, and the exceptions</td>
</tr>
<tr>
<td>Advertising elasticity</td>
<td><strong>Oligopoly</strong></td>
</tr>
<tr>
<td>Market domination and firm behaviour</td>
<td>Kinked demand curve model</td>
</tr>
<tr>
<td>Inflexibility of price and output and the lack of real competition</td>
<td>Forms of oligopoly</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>5</th>
<th>12th Nov</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Topic Seven Review of Market Models</strong></td>
<td>Using characteristics to identify structures</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Topic Eight. The Market Chain Model</strong></th>
<th>Input demand as a derived demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monopsony, oligopsony and countervailing power</td>
<td>Market chains</td>
</tr>
<tr>
<td>An economic look at the supply chain</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>19th November</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>6</td>
<td>19th November</td>
</tr>
</tbody>
</table>
| 7 | 26th November | **Topic Twelve. Money and Monetary Policy**  
Functions and types of money  
Credit creation and the fractional reserve banking system  
Interest rates and financial instruments  
Long term and short term interest rates  
**Keynesian Theory of Liquidity**  
**Monetarism**  
The equation of exchange and the quantity theory of money  
An alternative policy framework  
**The Application of Monetary Theory**  
Types of demand for money - Keynes vs Monetarism  
Monetary transmission mechanism - Keynes vs Monetarism  
The impact of modern financial instruments and technology |
|---|---|---|
| 8 | 3rd December | **Topic Thirteen. Money and Banking**  
The central bank and its role  
Types of monetary aggregates  
The operations of the central bank  
The process of change in world financial markets  
The role of expectations vs events  
**The Financial Markets**  
The Cash Market  
Cheque clearing and inter-bank settlements  
Government financial instruments  
Smoothing and market intervention  
**Banking Systems**  
Prudential vs regulatory control  
Capital adequacy requirements  
**Topic Fourteen. Inflation and Unemployment**  
Demand-pull inflation and policy options  
Cost-push inflation and policy options  
Stagflation and policy options  
Anticipated vs unanticipated inflation  
Types of unemployment and labour market efficiency  
Inflation and unemployment - a trade-off?  
The Phillips Curve Model in the short run and the long run  
The natural rate of unemployment  
Is there a natural rate of unemployment in Australia?
## Topic Fifteen. International Macroeconomics

The nature of the global economy - system or jungle?

**Trade**
- Measuring trade flows
- Balance of payments and its components
- The nature of trade flows and their distortion
- The structure of trade flows – composition and direction

**Exchange Rates**
- The determination of exchange rates
- Freely floating exchange rates vs a managed float
- Fixed exchange rates - an expensive option
- Bretton Woods vs market determination

**Interest Rates**
- Comparative interest rates internationally
- International capital and investment flows
- The relationship between exchange rates and interest rates

<table>
<thead>
<tr>
<th>Exam Week</th>
<th>As advised</th>
</tr>
</thead>
</table>

SESSION ONE: Saturday, 1st October, 2005

Theme: Economics is a body of knowledge that is constantly under review. Even good economic principles can be used to make or justify bad economic decisions.

Unit Introduction
The scope and intentions of the unit will be introduced, and the scene set for the succeeding seven sessions.

Allocation of Project Groups
The class will be divided into small project groups. While it may be comfortable to try to work with people you know already, sometimes it is more productive overall to include people you do not know.

Study Skills
Thinking about and understanding Economics requires certain skills and thought patterns that are not usually taught except in dedicated economics units. To prepare adequately for this unit, and to use the knowledge you will accumulate, the following aspects of study skills will be covered:

- Planning and organising essays and short answers.
- Structuring an answer on discrete theoretical and application topics.
- The structure and organisation of economic reports.

Topic One. Economics

References: McTaggart, Findlay and Parkin, Chapter 1 - 3, 6.

- Economics and economic goals
- Goals of allocation and distribution processes
- Production Possibilities Frontier
- The nature of economic theory
- Opportunity costs
- Using economic models to solve economic problems

Microeconomics vs Macroeconomics
- The difference between microeconomics and macroeconomics

Topic Two. Demand and Supply Analysis

References: McTaggart, Findlay and Parkin, Chapter 4

- Demand and supply as concepts
- Determinants of supply and demand
- Changes in demand vs changes in the amount demanded
- Supply, demand and equilibrium
- Government interference and its consequences
SESSION TWO: Saturday, 8th October, 2005

Theme: Even simple concepts can provide managers with simple but effective methods to assist in decision making

Topic Three. Elasticity

References: Session material

Point and arc elasticity
Price and income elasticities of demand
Determinants of supply and demand elasticities
The total revenue test

Topic Four. The Business Cycle and Economic Forecasting

Reference: Session material

Demand analysis and optimisation
Leading, concurrent and lagging indicators

SESSION THREE: Saturday, 15th October, 2005

Theme: The firm is people who react to the economic circumstances in which they find themselves. Patterns and models help us to understand the principles by which people operate firms, but cannot be said to hold for all firms in an industry.

Topic Five. Theory of the Firm

References: McTaggart, Findlay and Parkin, Chapters 9 - 10

Production Theory
The production function
Production in the long run and the short run
Total product, marginal product and average product
Law of diminishing marginal returns

Cost Theory
Total, average, and marginal costs
Fixed vs variable costs
The relationships between product and cost curves
Total and per unit cost curves
Profit maximisation

Profit
Normal and economic profit
Explicit (accounting) and implicit costs
Theme: The firm is people who react to the economic circumstances in which they find themselves. Patterns and models help us to understand the principles by which people operate firms, but cannot be said to hold for all firms in an industry.

Topic Six. The Firm in Action

References: McTaggart, Findlay and Parkin, Chapter 11

Perfect Competition
The short run output decision
Total revenue, average revenue and marginal revenue
Short run profit maximisation
Short run supply curve and the marginal cost curve
Market supply curve
Short run and long run for the firm and the market
Equilibrium conditions in the short run and the long run
Derivation of firm and market supply curves
Efficient production and optimal allocation of society’s resources

SESSION FOUR: Saturday, 22nd October, 2005

Theme: The firm is people who react to the economic circumstances in which they find themselves. Patterns and models help us to understand the principles by which people operate firms, but cannot be said to hold for all firms in an industry.

References: McTaggart, Findlay and Parkin, Chapter 12 - 13

Imperfect Competition

Monopoly
The firm and the market in the short run and the long run
Possible short run equilibria
Long run equilibrium
Natural and artificial barriers to entry
Deadweight loss caused by monopoly
Regulation of monopoly markets
Price discrimination and monopoly profit

Monopolistic Competition
The firm and the market in the short run and the long run
Possible equilibrium outcomes in the short run
The firm’s adjustment process from the short run to the long run
Normal profits in the long run, and the exceptions
The effect of advertising
The concept of advertising elasticity
SESSION FOUR: Saturday, 22nd October, 2005

Theme: Models with few variables offer solutions whereas models with many variables offer only an increasing range of options. The more complex the market, the less support that is given by Economics, and the more skill that is required of the manager.

Oligopoly
Market domination and firm behaviour
Kinked demand curve model
Inflexibility of price and output and the lack of real competition
Forms of oligopoly

Topic Seven. Review of Market Models
Using characteristics to identify structures

Topic Eight. The Market Chain Model
Input demand as a derived demand
Monopsony, oligopsony and countervailing power
Market chains
An economic look at the supply chain

SECTION FIVE Saturday, 12th November 2005

Theme: People are Economics

Topic Nine. Transition to the Macroeconomy

References: McTaggart, Findlay and Parkin, Chapter 20 - 21

The difference between microeconomic and macroeconomics
The nature of the macroeconomy
Problems addressed by macroeconomics

The Fallacy of Composition

Circular Flow Model
The participants in the macroeconomy
The relationship between markets

National Income Accounting
The revolution in macroeconomics and Keynesian Economics
The elements of national income and double counting
Measuring national income in real and nominal terms

Topic Ten. Aggregate Demand and Aggregate Supply

References: McTaggart, Findlay and Parkin, Chapters 23, 24, 30, 31
The determinants of aggregate demand
The nature of aggregate supply
SESSION SIX  Saturday, 19th November, 2005

Theme: The greater the aggregation of economic data, the easier appear the answers. Beware the individual decisions that feedback into the economy and continually affect the outcomes of economic planning and policy.

Topic Eleven. Income Determination

Reference: McTaggart, Findlay and Parkin, Chapters 23 - 24

The Keynesian view of national income determination
Consumption and saving schedules
Marginal and average propensities
Saving and investment
Intended and unintended saving and investment
The determination of equilibrium national income
Expenditure/output approach and leakages/injections approach
Simple and complex multipliers
Inflationary and recessionary gaps
The Paradox of Thrift

Closed Economy and Open Economy
Keynesian 4-sector model related to the circular flow diagram
The government sector
The government and balanced budget multipliers
The external sector
The open economy multiplier
A potential paradox with rising national income

Reference: McTaggart, Findlay and Parkin, Chapters 25, 29

Fiscal Policy
Discretionary fiscal policy
Built-in (automatic) stabilisers
The dilemma of government debt

SESSION SEVEN: Saturday, 26th November, 2005

Theme: The greater the aggregation of economic data, the easier appears the answers. Beware the individual decisions that feedback into the economy and continually affect the outcomes of economic planning and policy.

Topic Twelve. Money and Monetary Policy

References: McTaggart, Findlay and Parkin, Chapters 26 - 28
Carew, Chapters 3, 7, 11
McGrath, Chapter 1
Readings: “Asset Prices, Monetary Policy and the Business Cycle”
“Financial System Soundness”
“Maintaining Price Stability”

Functions and types of money
Credit creation and the fractional reserve banking system
Interest rates and financial instruments
Long term and short term interest rates

**Keynesian Theory of Liquidity Preference**

**Monetarism**
The equation of exchange and the quantity theory of money

**The Application of Monetary Theory**
Types of demand for money - Keynes vs Monetarism
Monetary transmission mechanism - Keynes vs Monetarism
The impact of modern financial instruments and technology

---

**SESSION SEVEN: Saturday, 26th November, 2005**

**Theme:** All economies are part of a global financial market. Some policy outcomes are realisable domestically, but most are influenced by events elsewhere.

**References:** McTaggart, Findlay and Parkin, Chapter 27

**Topic Thirteen. Money and the Central Bank**

**Readings:**
“Asset Prices, Monetary Policy and the Business Cycle”
“Financial System Soundness”
“Maintaining Price Stability”
“Managing Risks to the International Banking System”
“A Proposal for Implementing Real Time Gross Settlement in Australia”
The central bank and its role
Types of monetary aggregates
The operations of the typical central bank, such as the Monetary Authority of Singapore
The process of change in Australian financial markets
The role of expectations vs events

**References:** Session material

**The Official Market**
The Cash Market
Cheque clearing and inter-bank settlements
Government financial instruments
Smoothing and market intervention
SESSION EIGHT: Saturday, 3rd December, 2005

Theme: Inflation and unemployment are often seen as “shocks” to the macro-economy, but the groundwork is always laid beforehand.

Objectives: After completing the material for this session, you should be able to:

1. Explain both models of inflation, and the policy options available to government in each case.
2. Explain the composition of the labour market as it affects employment and unemployment.
3. Discuss the forms and causes of unemployment in Australia.

References: McTaggart, Findlay and Parkin, Chapters 31, 34

Topic Fourteen. Inflation and Unemployment

Readings: “Asset Prices, Monetary Policy and the Business Cycle”
“Maintaining Price Stability”

Demand-pull inflation and policy options
Cost-push inflation and policy options
Stagflation and policy options
Anticipated vs unanticipated inflation
Types of unemployment and labour market efficiency
Inflation and unemployment - a trade-off?
The Phillips Curve Model in the short run and the long run
The natural rate of unemployment
Is there a natural rate of unemployment in Australia?

Theme: The international market is a bigger game, with the same rules as the domestic market. The number of decision makers is larger, so that the increased number of decision feedbacks complicates the outcome further.
Topic Fifteen. **International Macroeconomics**

**References**: McTaggart, Findlay and Parkin, Chapters 32, 35

**Readings**: “Foreign Exchange Markets: Structure and Systematic Risks”
“International Borrowing, Lending and Interest Rates”
“International Capital Markets Update”
“Managing Risks to the International Banking System”

The nature of the global economy - system or jungle?

**Trade**
Opportunity costs and comparative advantage
Measuring trade flows
Balance of payments and its components
The nature of trade flows and their distortion
The structure of trade flows - composition and direction
Some alternative explanations of trade

**References**: Session material

**Exchange Rates**
The determination of exchange rates
Freely-floating exchange rates vs a managed float
Fixed exchange rates - an expensive option
Bretton Woods vs market determination

**Interest Rates**
Comparative interest rates internationally
International capital and investment flows
The relationship between exchange rates and interest rates

---ooo000O000ooo---
1. READINGS:
Asset Prices, Monetary Policy and the Business Cycle¹ Garry J. Schinasi
Economic Trends in the Developing World¹ International Monetary Fund
Financial System Soundness¹ Stanley Fischer
Foreign Exchange Markets: Structure and Systematic Risks¹ Laura E Kodres
Global Financial Markets:
   Moving Up the Learning Curve¹ IMF Research Department Staff
International Borrowing, Lending and Interest Rates² Tony Makin
International Capital Markets Update¹ International Monetary Fund
Maintaining Price Stability¹ Stanley Fischer
Managing Risks to the International Banking System¹ IMF Research Department Staff
A Proposal for Implementing Real Time
   Gross Settlement in Australia¹ Reserve Bank of Australia

Notes:
1. Reprinted with the permission of Finance and Development, published by the International Monetary Fund and the World Bank
2. Reprinted with the permission of the Economic Society of Australia
3. Reprinted with the permission of the Reserve Bank of Australia
Attendance

Participation in class, whether it be listening to a lecture or getting involved in other activities, is an important part of the learning process. For this reason the GSM has decided not to move to on-line teaching. It is, therefore, important that you attend classes (and be on time).

More formally, the University regulations state that ‘to complete a course or unit a students shall attend prescribed classes, lectures, seminar and tutorials’. Students whose attendance at MBA units has been unsatisfactory will not be granted a pass grade. Two or more missed classes without prior permission from the lecturer is classified as unsatisfactory. Students should not expect to obtain approval to miss more than two classes per unit, unless there are exceptional circumstances.

Assessment

Adapt the assessment table below according to what will be required. The combination of assessable work should comply with the University’s policy on assessments.

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
<th>Due date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class Presentation</td>
<td>15 per cent</td>
<td>Each session’s problem</td>
</tr>
<tr>
<td>Class Examination</td>
<td>15 per cent</td>
<td>25 October</td>
</tr>
<tr>
<td>Paper Submission</td>
<td>30 per cent</td>
<td>13 December</td>
</tr>
<tr>
<td>Final Examination</td>
<td>40 per cent</td>
<td>As advised</td>
</tr>
</tbody>
</table>

The purpose of assessment

There are three major purposes in the structure and weighting of the assessment:

- To integrate Economics into a management decision-making structure.
- To encourage students to think about how they thin about decision-making, especially from the perspective of the Economics taught in this unit.
- To practice thinking about Economics and using it as a management tool.

There are a number of reasons for having assessable tasks as part of an academic program. The assessable tasks are designed to encourage you to explore and understand the subject more fully. The fact that we grade your work then gives you an indication of how much you have achieved. Providing feedback on your work also serves as part of the learning process.
The standard of assessment

The Graduate School must ensure that the processes of assessment are fair and are designed to maintain the standards of the School and its students. The School follows the University of Western Australia’s grading system.

- **HD (Higher Distinction)**: 80-100%
- **D (Distinction)**: 70-79%
- **CR (Credit Pass)**: 60-69%
- **P (Pass)**: 50-59%
- **N+ (Fail)**: 45-49%
- **N (Fail)**: 0-44%

The School awards marks leading to these grades by using the following general criteria which are presented here as an indication of the School’s expectations. These general criteria may be supplemented by specific standards provided with regard to a particular assignment.

**HD** The student has a clear understanding of theory, concepts and issues relating to the subject and is able to adopt a critical perspective. The student is able to clearly identify the most critical aspects of the task and is able to offer a logically consistent and well articulated analysis within the analytic framework presented in the course. The student is able to draw widely from the academic literature and elsewhere but maintains relevance.

**D** The student has a clear understanding of theory, concepts and issues relating to the subject. The student is able to develop an analysis of an issue using the analytic framework presented in the course and is able to identify and evaluate the critical issues. The student is able to draw upon relevant academic and other material.

**CR** The student demonstrates an understanding of the analytic framework developed in the course and a partial understanding of concepts and issues. The student is able to identify some key issues and is able to present a logical discussion, but with some conceptual errors or gaps between analysis and conclusions. The student is able to draw upon an adequate range of references and other materials.

**P** The student generally takes a descriptive rather than analytic approach to the subject. The student is able to demonstrate some understanding of the issues involved but does demonstrate the ability to apply the analytical framework which had been developed in the course. Draws primarily upon course materials for referencing.

**N+** The student is unable to demonstrate that he or she understands the core elements of the subject matter. The student is able to provide some insight into issues but misapplies analytic framework developed in course, omitting key factors and, for example, drawing conclusions which are not related to the preceding discussion.

**N** The student is unable to demonstrate any understanding of the subject matter. Material presented for assessment is unrelated to course framework and shows no effort to identify or address critical aspects of the topic.

The scaling of marks to ensure comparability between classes in an acceptable academic practice. The GSM and Board of Examiners has the right to scale marks where it is considered necessary to maintain consistency and fairness.
Assessment 1

Class Presentation
It is part of the study that the participants should present the assignment given to the class. The material of the presentation is based on the previous session, and the presentation can be individual or group. The presentation is not more than 10 minutes.

Assessment criteria
The mark given is based on the adequacy of the content and methods of analysis applied.

Assessment 2

The Class Examination
The class examination will be held on 25 October, 2002.

It is an open book examination of 30 minutes duration and will comprise one short essay question, from a choice of four. For this examination, you will be required to:

- Refer to the theoretical concept(s) relevant to the situation.
- Explain the relevance of the concept(s) used.
- Justify your decision/explanation in terms of the theoretical concept(s).

Assessment criteria
Marks will be awarded equally for:

- The demonstrated understanding of the relevance of the theoretical concept(s), and
- The validity of your justification.

Note: The decision itself is secondary as it is the concept(s) and the connection made between it (them) and the decision that are the critical factors.

Assessment 3

Paper Submission
As part of the assessment, you have to write and submit a paper with the due date Saturday, 13th December 2003. You can freely choose the title of the paper. It could be possible some participant choose similar topic, however it is forbidden to have similar contents, techniques or models in generating the work.

The paper should determine the causes of the problems, and build an analysis framework to solve the problems including suggestions. The paper should have a minimum 20 pages, and use A4 paper with 1.5 spaces line.

Assessment criteria
Assessment is based on the ability of the participants to identify the context within which the analysis of the case will be based. The major elements to be analysed should be identified, as well as any issues and questions the participant thinks it may have to address during the analysis.
Final examination

The three-hour examination will comprise three sections:

- Two short answer questions on aspects of theory and its application, from a choice of three.
- Two short answer questions on case studies, from a choice of three.
- Two essays integrating theoretical concepts with their application to practical situations, from a choice of five.

This will be an open book examination that requires only the simplest calculations.

Calculators and other mathematical aids will not be required.

Submission of assignments

Assignments should be submitted in class on the due date.

Late assignments will attract a penalty of 5% per day. This penalty will be waived by the lecturer only in exceptional circumstances. No marks will be awarded to assignments submitted after other students in the class have had their assignments returned.

Assignments will be returned in class, where possible.

It is the intention that the marked assignments will be returned within two weeks of submission.

Appeals against assessment marks

In the first instance, students are strongly advised to talk informally to the lecturer about the grade awarded.

The University provides the opportunity for students to lodge an appeal against any mark which he or she feels is unfair. Any student making an appeal is under an obligation to establish a prima facie case by providing particular and substantial reasons for the appeal.

There is a 10 day time limit for making any such appeal. An appeal against academic assessment may result, as appropriate, in an increase or decrease in the mark originally awarded. The University regulations relating to appeals and the form on which the appeal should be lodged can be found in the GSM website.
Acknowledgements and plagiarism

In the course of your individual and group work assignments, you will encounter ideas from many sources. These will include journal and newspaper articles, commentaries, books, web sites and other electronic sources, original case sources, lecture materials. All MBA assignments that you submit must acknowledge all the different sources you have used.

Not to acknowledge your sources is plagiarism, a form of dishonesty. Plagiarism is the misappropriation of the work or ideas of others and presenting them as your own. This is reprehensible from both an ethical and legal viewpoint. Neither the School nor the University accepts ignorance or the fact that a student’s previous acts of plagiarism had been undetected as a defence.

In order to avoid engaging in plagiarism it is your responsibility to acknowledge all of your sources in any work submitted for assessment and it is essential that you reference the work of others correctly. Where you quote directly from a source, you must ensure that any direct quotations are placed in quotation marks and are fully referenced. Even when you do not quote directly and are just referring to or expanding on the work of others, you must still acknowledge the sources of your information and ideas. Close paraphrasing in which you change a few phrases around, leave a clause out of a long sentence or put the original sentences in a different order is still plagiarism.

Advice on proper referencing is given below. If you have any doubts concerning appropriate referencing formats or how to acknowledge the work of others correctly, you should seek the advise of your lecturer.

It is GSM policy that no student will profit from plagiarism. Generally, a mark of ‘Fail’ will be recorded for the assignment in which this has occurred, regardless of its other merits or qualities. Serious cases shall be referred to the University’s Board of Discipline. All students should note that cases of copying are automatically reported to the Sub-Dean and documentary evidence along with associated correspondence is placed on the student’s permanent record.

Referencing

It is important that the referencing of any sources used in your written work is done properly, if only to substantiate the points you are making in your assignment or project. The Harvard style is the preferred and there are some notes for guidance which have been prepared by the library staff: ‘Citing your sources Harvard Style’ [link]

Endnote is a really good system for building up a database of references. Not everyone will want to invest the time in using this system but you should consider it if you intend to build up resource materials or plan to undertake extensive research in a particular area. The library staff have also developed a tutoring package: ‘A quick Guide to Using EndNote’ which provides the basics for using EndNote with an essay [link]

This is linked to from the how to Use EndNote page [link] which provides more comprehensive information.