

Tribhuvan University  
**Faculty of Management**  
**Office of the Dean**



Course detail and pedagogy of  
**MBM (Master of Business Management) 4<sup>th</sup> Semester**

**2015**

# MGT 513: Business Environment and Corporate Governance

*Credits: 3*  
*Lecture Hours: 48*

## **Course Objectives**

The purpose of this course is to develop an understanding of the external, economy-wide factors that affect the performance and management of business firms. It examines the relationship between business organizations, their functional areas, and the environments – economic, social, political, regulatory, global, and technological - that affect them. Students are provided with frameworks and skills to anticipate and address these environmental challenges, both to recognize business opportunities and to mitigate business risks, and to execute on these strategies.

## **Course Description**

The main topics covered in the course are: the business-environment interaction, analysis of the economic, political, social, cultural, legal, global and technological environments and their effects on Nepalese business, economic policies and reforms, and corporate governance. Globalization and regional economic integration, foreign direct investment, and the impact of international institutions and organizations like WTO on Nepalese business will also be discussed.

## **Course Details**

### **Unit: Introduction**

**LH 6**

Conceptualizing the environment of business; Business system and its environment; Classification and components of business environment; Environmental analysis -process and techniques; Business environment analysis for strategic management.

### **Unit 2: Economic Environment**

**LH 10**

Economic structure and dimensions; Poverty situation in Nepal; Nepal's foreign trade - structure and related issues; Labour market and foreign employment - trends and issues; An overview of Nepal's current development plan - its objectives, targets and strategies applicable to business and industrial sectors; Nepalese economic policies and reforms – industrial, privatization, trade, and tourism policies; Current monetary policy; Economic policy reforms in Nepal; Agriculture and industrial sectors - features and issues in Nepalese agricultural sector; Nepal's industrial sector –performance and constraints; Emerging business environment in Nepal.

### **Unit 3: Political Environment**

**LH 5**

Nepal's political system, its nature, features and significance for business; Political structure; Political parties, Issues in government-business relations; Government's role in business; Political stability issues; Political risk factors and their analysis.

### **Unit 4: Regulatory Framework and Corporate Governance**

**LH 9**

Constitutional framework; Directive principles and fundamental rights; Business legislation in Nepal - Companies Act, 2006; Finance and investment legislation - Foreign Investment and Technology Transfer Act, 1992; Industrial Enterprise Act, 1992; Labor Act, 1992; Trade Union

Act, 1992; Patent Design and Trade Mark Act, 1965; Copyright Act, 2002; Intellectual property rights; Consumer protection legislation; Corporate Governance - concept, scope, principles and significance of corporate governance; Corporate risk assessment; Issues and challenges for good corporate governance in Nepal; Impact of governance on business, society and the Nepalese economy.

**Unit 5: Socio-Cultural Environment****LH 6**

Concept of socio-cultural environment; Demographic characteristics - population, its density and distribution; Changes in population and age composition; Education level; Social organizations; Class structure and classification; Changing lifestyle patterns; Family structures and changes; Emerging socio-cultural changes in Nepal.

**Unit 6: Environment, Energy and Technology****LH 6**

Environment and energy management in Nepal; Environment protection legislation and programs; Demand and supply of energy; Environment and energy management issues; IT Policy; Electronic Transactions Act, 2007; Status of technology in Nepalese businesses; Technology and human factors; Issues related to management of technology.

**Unit 7: Global Environment****LH 6**

Globalization - concepts and forms; A brief overview of the regional economic groupings such as SAPTA, SAFTA and BIMSTEC; Economic reforms in South Asia; Foreign direct investment in Nepal; World Trade Organization (WTO) – objectives, structure, principles, agreements and most favored nation treatment; Benefits of the WTO trading system; Nepal's membership and commitments - opportunities and threats for Nepalese business.

**Basic Books**

Pant, Prem R. **Business Environment in Nepal**. Buddha Academic Publishers and Distributors, Kathmandu.  
Agrawal, G. R. **Dynamics of Nepalese Business Environment**. M. K. Publishers, Kathmandu.

**References**

Aswathappa, K. **Business Environment for Strategic Management**, Himalaya Publishing House, Bombay.  
Tricker, B. **Corporate Governance: Principles, Policies and Practices**. Oxford University Press, New Delhi.  
Wetherly, P. and Otter, D. **The Business Environment: Themes and Issues**. Oxford University Press, New Delhi.  
Harrison, A. **Business Environment in a Global Context**. Oxford University Press, New Delhi.  
Relevant Nepalese laws, regulations and cases.

# MGT 516: Strategic Management and Leadership

*Credits: 3*  
*Lecture Hours: 48*

## **Course Objectives**

This course aims to familiarize the students with the concepts of strategic management and the role of leadership in strategic decision making. The course intends to provide a systematic and effective approach for developing a clear strategic plan and its implementation. An examination of the role of the leader as a change agent and processes associated with strategic vision and change will be made. The course takes a general management perspective, viewing the firm as a whole, and examining how policies in each functional area are integrated into an overall competitive strategy.

## **Course Description**

This course introduces the key concepts, tools, and principles of strategy formulation and competitive analysis. It is concerned with managerial decisions and actions that affect the performance and survival of business enterprises. The course is focused on the information, analyses, organizational processes, and skills and business judgment managers must use to devise strategies, position their businesses, define firm boundaries and maximize long-term profits in the face of uncertainty and competition. After completion of this course, students should be able to pull together what they have learned in separate business fields and utilize this knowledge in analysis of complex business problems and formulate strategies accordingly.

## **Course Details**

### **Unit1: Introduction to Strategic management and Leadership**

**LH 3**

Concept, nature and value of strategic management; The strategic management Process - components of the strategic management model; Role of leadership in strategic management and change.

### **Unit 2: Company Vision and Mission**

**LH 3**

Concept and importance of vision and mission statements; Characteristics of mission statement; Mission statement components; Writing and evaluating mission statements; Strategic intent.

### **Unit 3: Industry Analysis**

**LH 9**

Industry and competitive analysis; Porter's five forces model; Strategic group mapping; Monitoring competition.

### **Unit 4: Internal Analysis**

**LH 5**

SWOT analysis; Competitive advantage via customer value; Internal analysis approaches - value chain; functional approach; and Resource based view (RBV); Benchmarking; Internal Factor Evaluation (IFE) matrix.

**Unit 5: Strategic Options and Choice Techniques****LH 10**

Porter's five generic strategies; Grand Strategies (concentration, market development, product development, innovation, vertical and horizontal integration, concentric and conglomerate diversification, retrenchment/turnaround, divestiture, liquidation, bankruptcy, joint venture, and strategic alliance); The balanced scorecard; Corporate level analytical tools - BCG and GE nine cell matrices; Business level analytical tools - grand strategy selection matrix and grand strategy cluster.

**Unit 6: Strategic Leadership****LH 7**

Concept of strategic leadership; Clarifying strategic intent; Building an organization; Shaping organizational change; Developing talented operational leadership; Matching existing organizational structure, leadership, and organizational culture with newly chosen strategy.

**Unit 7: Implementation Phase****LH 5**

Functional plan - finance, marketing, HR, R & D, production operations, MIS, and general management work plan; Outsourcing functional activities; Empowerment of operating personnel and the role of policies.

**Unit 8: Strategic Evaluation and Control****LH 6**

Concept of control in strategic management; Difference between strategic and operational control; Strategic control tools - premise control, strategic surveillance, implementation control, and special alert; Total quality control; Problems of measuring performance; Guidelines for proper control; Strategic audit to evaluate and control performance.

**Basic Texts**

Pearce, J. A., Robinson, R. B. and Mital, *Strategic Management: Formulation, Implementation, and Control*, Tata McGraw Hill, New Delhi.

Hitt, M. A., Ireland, R. D., Hoskisson, R. E. and Manikutty, S. *Strategic Management: A South-Asian Perspective*. Cengage Learning, New Delhi.

**References**

Dess, G. G., Lumpkin. G. T. and Eisner, A. B. *Strategic Management: Text and Cases*. Tata McGraw Hill, New Delhi.

Thomson, A., and Strickland, *Strategic Management*, Tata McGraw Hill, New Delhi.

David, Fred R., *Strategic Management: concept and cases*, Prentice Hall of India, New Delhi.

*Relevant journals, periodicals and cases.*