Master of International Business
1st Semester Module Catalogue
Winter Semester 2012/13

Table of contents:

Module 1: Principles of Economics

Module:	Principles of Economics
Module Coordinator:	Herrmann-Pillath, Carsten
Last Update:	July 1012

Target Group:	Programme(s):	MA MIB
	Term:	1st Semester
	Compulsory/Elective Module:	Compulsory Module

	Module Duration:	1 Semester
	Credits:	6
	Frequency:	Annually
	Language of Instruction:	English

Workload:	150 h	Contact hours:	44 h	Independent study:	106 h	Interactive:	00 h

Prerequisites:	None
Usability in Other Modules/Programmes:	Also a module in the Master of Finance and in the Master in Management programme.
Learning Outcomes:	*Knowledge:* Students become familiar with fundamental analytical and conceptual approaches in economics, as applied across different topical domains (e.g. microeconomics/macroeconomics). *Skills:* Students learn to apply economic tools on analyzing real-world decision problems in order to design high-performance solutions. *Competence:* Students become aware of the potential and the limitations of alternative theoretical approaches in economics.
Module Structure:	Ten topical sessions, one wrap-up session / exam prep. The ten sessions are: 1. Markets and the division of labour 2. Rationality and individual behaviour 3. Rationality and social interaction 4. Markets, externalities and the public good 5. Labour and markets 6. Theory of the firm 7. Incentives, behaviour and economic performance 8. Money and credit 9. Savings, investment and the international division of labour 10. Economic growth
Module Overview:	The module offers an introduction into essential analytical approaches and topics of economics, straddling the different disciplines of microeconomics, macroeconomics, theory of the firm and international economics. Teaching focuses on a combination of student readings, classroom discussion and problem-solving activities, and supplementary lectures. Students are encouraged to seek for applications of the theory. The course puts emphasis on the economic theory of behaviour, enriched by recent insights of behavioural economics, and relates this with the performance of markets and firms.

	All sessions follow the structure:
	1. Two short student presentations of real-world examples how to apply the insights of the previous session 2. Brief summary of mandatory preparatory readings by the lecturer, accompanied by selected problem-solving teamwork in the classroom 3. Supplementary lecture on special aspects, related to additional textbook chapters (non-mandatory readings)
Forms of teaching, methods and support:	Mandatory advance readings; supplementary lectures; student presentations of cases; problem-solving team activities in the classroom.

Type of Assessment in the Module and Performance Points:

Type of examination	Duration or length	Performance Points	Due date or date of exam
Written exam	1,5 h	90	End of course
Classroom participation		30	

Examination Requirements:
Thorough understanding of mandatory readings, participation in classroom problem-solving activities, preparation of applied cases.

Participation is assessed via case presentations, contribution to classroom problem solving sessions, and participation in classroom discussions.

Recommended Literature	Basic: - Mankiw, N. Gregory / Taylor, Mark P. (2011): Economics, 2nd edition, South-Western Cengage Learning. Supplementary: - Brickley, James A. / Smith, Jr., Clifford / Zimmerman, Jerold L. (2008): Managerial Economics and Organizational Architecture, 5th edition, McGraw-Hill Irwin. - Wilkinson, Nick / Klaes, Matthias (2012): An Introduction to Behavioral Economics, 2nd edition, Palgrave Macmillan.

Module 2: Principles of Accounting

Module:	Principles of Accounting
Module Coordinator:	Grüning, Michael
Last Update:	July 1012

Target Group:	Programme(s):	MA MIB
	Term:	1st Semester
	Compulsory/Elective Module:	Compulsory Module

	Module Duration:	1 Semester
	Credits:	6
	Frequency:	Annually
	Language of Instruction:	English

Workload:	150 h	Contact hours:	44 h	Independent study:	106 h	Interactive:	00 h

Prerequisites:	None
Usability in Other Modules/Programmes:	Also a module in the Master of Finance and in the Master in Management programme.
Learning Outcomes:	*Knowledge:* Students will gain knowledge about the constituent parts of an IFRS based financial statements, the approach and the evaluation of financial statements. They will learn methodical knowledge about Management Accounting. *Skills:* Students will be able to read and prepare financial statement according to IFRS and gain the ability to use different Management Accounting tools. *Competences:* Students will be able to prepare, apply and interpret IAS and IFRS, as well as management accounting tools and techniques in decision making.
Module Structure:	Lectures will take place over the course of the semester and will be taught by two FS professors who are experts in financial and managerial accounting. The first part of the module will focus on financial accounting where as the second half will focus on managerial accounting. The importance of both areas of accounting will be discussed and at the end of the module students should have a clear understanding of the differences and importance of both financial and managerial accounting. This will be tested in a final written exam to take place at the end of the semester.
Module Overview:	The aim of this module is to introduce students to the principles of financial and managerial accounting. Students will gain an understanding of the structure, details and interconnections between the balance sheet, income statement/ P& L statement and cash flow statement based on International Accounting Standards (IAS) / International Financial Reporting Standards (IFRS). Students will also explore relevant sections of management accounting including cost accounting, planning, control and performance management. More specifically, the topics discussed in lectures will flow as follows: 1. The accounting and business environment 2. Introduction to Business Activities and Overview of Financial Statements and the Reporting Process

	3. The Basics of Record Keeping and Financial Statement Preparation: Balance Sheet 4. The Basics of Record Keeping and Financial Statement Preparation: Income Statement 5. Statement of Cash Flows: Reporting the Effects of Operating, Investing, and Financing Activities on Cash Flows 6. An introduction to financial statements analysis 7. Introduction to Management and Cost Accounting 8. Cost Accumulation for inventory valuation and profit measurement 9. Information for decision making 10. Information for planning, control and performance measurement
Forms of teaching, methods and support:	Lecture, practical exercises, interactive discussion, videos

Type of Assessment in the Module and Performance Points:	Type of examination	Duration or length	Performance Points	Due date or date of exam
	Written exam	120 min	120	End of semester
	Additional Examination Requirements: Closed note / closed book exam. Non-programmable calculator allowed.			

Recommended Literature	- Clyde P. Stickney, et al.: Financial Accounting: An Introduction into Concepts, Methods, and Uses. Mason: Thomson, 2010. – ISBN 978-0-324-65114-0 - Colin Drury: Management and Cost Accounting, 8th edition, London: Cengage, 2012. – ISBN 978-1-4080-4180-2

Module 3: Principles of Finance

Module:	Principles of Finance
Module Coordinator:	Packham, Nathalie
Last Update:	July 1012

Target Group:	Programme(s):	MA MIB
	Term:	1st Semester
	Compulsory/Elective Module:	Compulsory Module

	Module Duration:	1 Semester
	Credits:	6
	Frequency:	Annually
	Language of Instruction:	English

Workload:	150 h	Contact hours:	44 h	Independent study:	106 h	Interactive:	00 h

Prerequisites:	None
Usability in Other Modules/Programmes:	Also a module in the Master of Finance and in the Master in Management programme.
Learning Outcomes:	*Knowledge:* • Knowledge of capital budgeting and related decision-making techniques • Knowledge of the foundations of finance theory (Portfolio Theory, CAPM, Principle of No-arbitrage, Efficient Market Hypothesis) • Knowledge of capital structure and financing instruments *Skills:* • Make decisions for capital budgeting • Apply statistical methods for optimal portfolio selection. • Make financing decisions. *Competence:* • Appreciate the fundamental ideas of finance (efficient markets, no-arbitrage) upon which finance theory builds • Learn the financial tools required to make good business decisions
Module Structure:	Lectures will take place over the course of the semester. During lectures students will be presented with theories and concepts related to finance and will be required to work on practical exercises. A final written examination at the end of the semester will test students' understanding of the principles of finance.
Module Overview:	The aim of the module is to introduce the principles of corporate finance and finance theory. In particular, the following topics will be addressed: • the financial system • valuation and capital budgeting • risk and valuation under uncertainty (Portfolio Theory, CAPM) • Capital structure and financing decisions • principles of market valuation (efficient market hypothesis, principle of no-arbitrage)

Forms of teaching, methods and support:	Lectures and case studies.			
Type of Assessment in the Module and Performance Points:	Type of examination	Duration or length	Performance Points	Due date or date of exam
	Written exam	120 min	120	End of semester
	Examination Requirements: Non-programmable calculator allowed. A4 page study aid, hand written (double-sided) allowed.			
Recommended Literature	- A. Ross, R.W. Westerfield, J.F. Jaffe, and Jordan B.D. Modern Financial Management. McGraw-Hill, 8th edition, 2008. - Z. Bodie and R.C. Merton. Finance. Prentice Hall, 2000. - Zvi Bodie, Alex Kane, and Alan J. Marcus. Investments. McGraw-Hill, 6th edition, 2005. - R.A. Brealey, S.C. Myers, and F. Allen. Principles of Corporate Finance. McGraw- Hill, 8th edition, 2008. - R.E. Bailey: The Economics of Financial Markets. Cambridge University Press, 2005.			

Module 4: Principles of Statistics

Module:	Principles of Statistics
Module Coordinator:	Rudolph, Dirk
Last Update:	July 1012

Target Group:	Programme(s):	MA MIB
	Term:	1st Semester
	Compulsory/Elective Module:	Compulsory Module

	Module Duration:	1 Semester
	Credits:	6
	Frequency:	Annually
	Language of Instruction:	English

Workload:	150 h	Contact hours:	44 h	Independent study:	70 h	Interactive:	36 h

Prerequisites:	None
Usability in Other Modules/Programmes:	Finance, Marketing, International Strategy and Operations Management, Regional Specialisations, Marketing Research and Consumer Behaviour, Master's Thesis
Learning Outcomes:	*Knowledge:* Students learn the rationale for using statistical methods and their properties, the origin of probability calculus and the link between statistical decision theory and decision principles developed in the economics of uncertainty.
	Skills: Statistical methods remain powerless unless one has the skills to access quickly and easily the right data sources and the skills to compute the interesting statistical parameters with the help of computers. Students will develop these practical skills throughout the module.
	Competence: No less important than understanding when and how to use statistics, probability theory and statistical decision theory is to understand when and under what conditions their application must necessarily fail. The responsible use of statistics and probability theory entails to know about their limits. Students will have this competence by the end of the module.
Module Structure:	Statistical methods will be motivated through case studies with real data and practical exercises which require students to put the abstract knowledge into practice. Overall students will participate in 18 hours of lectures and 26 hours of homework reviews and exercises, guided by the lecturer. Thereby, they will become familiar with using quantitative databases and analyzing large sets of data using Excel.
Module Overview:	The central objective of this module is to enable students to apply the methods of statistics, probability theory and statistical decision theory to typical decision problems under uncertainty that managers face in actual business settings. The teaching approach is case study based using real life economic, financial and business data. Each statistical method is introduced and motivated by a case and the same is true for the homework. Through these cases students learn more than just the methods or to read academic articles: They become knowledgeable about the availability and value of quantitative data for real life decision making since they will be learning the use of quantitative databases

such as Datastream, Bankscope and Amadeus, during the module. Furthermore, students will be learning to use Excel to deal with large sets of data. This software allows them to apply statistical methods in a transparent way and gives them the tools to arrive at more informed decisions under uncertainty.

The cases of this module are the central content. The business applications of the cases come from finance, strategic management, marketing, human resource management, etc. Their solutions rest on understanding the methods, on knowing how to access data, and on mastering the steps involved in calculating the statistics needed to come up with an informed, objective recommendation for a real life business decision.

In terms of the statistical methods taught in this module there is shift away from hypothesis testing (more appropriate for economics students) towards statistical decision theory (more appropriate for future managers). More specifically, topics to be covered in this module include:

- Definitions of Some Statistical Terminology
- Arithmetic and Geometric Mean, Mode, Median, Variance, Standard Deviation
- Frequency Distribution, Empirical Density Function, Distribution Function, Relative Frequency Histogram
- Gini Coefficient and the Lorenz Curve
- The Calculus of Probability
- The Principle of Insufficient Reason
- Sampling and the Proper Interpretation of Sampling Results
- The Difference between an Estimation and an Estimator
- Relationship between Two Variables: Contingency Tables, Correlations, Regressions
- Discriminant Analysis
- Loss Functions, Decision Criteria, Statistical Decision Functions

- Measuring the Degree of Seasonality with the Gini Coefficient
- Benchmarking Firms with Simple Regressions
- Estimating Engel Curves for Predicting Demand Growth
- The Scope and Limits of Statistical Analyses of Stock Market Data for Decision Making
- The Use and Abuse of the Normal Distribution in Finance
- Some Examples of the Consequences of Poor Decision Making under Uncertainty
- Using the Binomial Distribution for Risk Management in HR
- Simple Regression and the Single Index Market Model

- Using Excel for Statistical Decisions
- Standard Transformations of Economic and Business Data
- Datastream, AMADEUS, BANKSCOPE
- Data Search on the Internet

| Forms of teaching, methods and support: | Traditional lecturing, discussions in class, homework, learning by doing, team work.

The teaching approach taken in this module has built in several features which accommodate students with very diverse educational backgrounds. The objective of the performance evaluation of students is to measure their individual progress and to correct for their previous background knowledge in statistics, probability theory or econometrics as much as possible. |

Type of Assessment in the Module and Performance Points:	Type of examination	Duration or length	Performance Points	Due date or date of exam
	Homework Assignments	7 assignments	30	Throughout semester
	Class Participation	6 practical exercises and 7 homework sessions	30	Throughout semester
	Group Project	10-15 pages, including graphs	60	End of semester

Additional Explanation of Assessment:

Class participation – The practical exercises required will be discussed and reviewed in class. Also, students are expected to submit their homework solutions a day before the start of each homework session and they have to present their work during these sessions. Students must be present in class and actively participate in order to earn the performance points allocated to class participation.

Group Project – Students will be required to work in groups of two. The groups will be formed by the lecturer who will assign students based on their prior experience with statistics. The group project covers a large set of the statistical methods taught in class. For completing the project student teams need to access and retrieve data from Datastream, to interpret the statistical results, and, finally they need to come up with a decision based on a statistical analysis as well as non-sample evidence.

Recommended Literature	- Douglas Downing and Jeffrey Clark, Business Statistics, Barron's Business Review Series, 2003. 15 Euros. - Lecture Notes. - Guide to Self-Study Sources for Statistical and Econometric Techniques on the Internet

Module 5: Principles of Management

Module:	Principles of Management
Module Coordinator:	Moormann, Jürgen
Last Update:	July 1012

Target Group:	Programme(s):	MA MIB			
	Term:	1st Semester			
	Compulsory/Elective Module:	Compulsory Module			

	Module Duration:	1 Semester			
	Credits:	6			
	Frequency:	Annually			
	Language of Instruction:	English			
Workload:	150 h	Contact hours:	44 h	Independent study:	86 h	Interactive:	20 h

Prerequisites:	None
Usability in Other Modules/Programmes:	-
Learning Outcomes:	*Knowledge:* The students will learn about topics in competition, organization and strategic management, New Institutional Economics, Value Chain Management, and Business Process Management. *Skills:* The students will get to know how to apply the theoretical concepts to practical examples which will be discussed during the course. Furthermore, they will learn how to write a paper and to give a presentation. In addition, they will read a number of academic articles and study how to interpret and apply scientific knowledge. Since the course is taught in English, they can improve their language skills. *Competence:* The students will review group interaction during the lecture and learn how to organize the group work for their assignments. They will also learn how to apply the learned contents by means of a case study.
Module Structure:	The course consists of 9 blocks à 4 hours of lecture each and 1 block à 8 hours of lecture. During the course, presentations have to be prepared. Finally, a paper answering questions about a case study which integrates the course content has to be handed in as a paper (group work). Active participation during the lectures is an essential element of the course.
Module Overview:	The course will deal with the foundations of management studies, including basics of strategic management, competition and organization. In addition, the course will deliver insights into modern approaches to management and new forms of organization which are of high relevance in today's constantly and fast changing environment. It will further be dealt with the foundations of New Institutional Economics, Value Chain Management, and Business Process Management. The course touches many different topics and gives a basic overview on the most important principles of management.

	Content: 1. Analyzing the Organization's Environment 2. Vision and Strategy 3. Organization and Management 4. New Institutional Economics 5. New Value Chain Architectures 6. Business Process Management 7. Organizational Improvement and Change
Forms of teaching, methods and support:	The method of instruction is primarily based on lectures and group discussions during the lectures. In addition, the students have to deliver a presentation and to solve a case study (incl. report in form of a paper) in groups of students. Methods and Support: - Lectures - Literature - Guidance while working on the case study.

Type of Assessment in the Module and Performance Points:	Type of examination	Duration or length	Performance Points	Due date or date of exam
	Presentation	20 min.	40	during the course
	Participation	-	10	during the course
	Paper (Case Study)	15 pages	70	end of course

Recommended Literature	Relevant for the preparation of the case study report is all required literature, the content of the lectures and the topics of all student assignments. The required literature will be accessible in the library. A full list of required and relevant literature will be provided at the beginning of the course. Here is a selection: - Jones, G.R.: Organizational Theory, Design and Change, 6th ed., Toronto: Pearson-Prentice Hall 2010 - Pearce, J.A.; Robinson, R.B.: Formulation, Implementation and Control of Competitive Strategy, 11th ed., New York: McGraw-Hill 2009 - Prahalad, C.K.; Hamel, G.: The Core Competence of the Organisation, in: Harvard Business Review, May/June 1990, pp. 79-91. - Porter, M.E.: Competitive Advantage, New York: The Free Press 1985 - Furubotn, E.G.; Richter, R.: Institutions and Economic Theory, Ann Arbor: Michigan University Press 1997. - Becker, J.; Kugeler, M.; Rosemann, M.: Process Management: a guide for the design of business processes", Berlin: Heidelberg: Springer, 2005.