



MBA

**Master of Business Administration
Course Catalogue 2009-2011**

MBA

Master of Business Administration

The Reykjavík University Executive MBA is an intensive two-year (90 ECTS) general management program with dual focus. Participants receive rigorous training in all aspects of business administration, ranging from accounting and finance to strategy and people management. Additionally, there is a great deal of emphasis on developing personal capabilities of participant so as to make them more effective at leading and influencing people around them. The program is designed for individuals with a university degree who want to strengthen their leadership skills as well as gain new analytical skills and management tools. During the program participants will master a broad range of functional and managerial skills while continuing their careers. The program is set up so that students are able to immediately apply their newly acquired tools and skills to their workplace.

The MBA Program begins with a three day intensive orientation that emphasizes teambuilding and leadership, while providing students with a practical insight into the program ahead. Students who lack experience in the basics of math and accounting are required to attend preparatory seminars on those topics prior to the start of the program.

During the first year, all participants pursue the same core curriculum, which is composed of foundation courses on the main functional areas of business. The core courses will build a solid understanding of the basic concepts of business administration.

During the second year, all participants pursue four core courses and also have the opportunity to concentrate on various electives.

Alongside regular study, all students take part in a comprehensive two year Personal Development Programme.

Overview

First year	
Fall 2009	Spring 2010
Organizational Behaviour	Business Statistics
Economics for Managerial Decisions	Corporate Finance
Financial Reporting for Managers**	Marketing Management
Effective Negotiations***	Operations Management

Second year	
Fall 2010	Spring 2011
Leadership & Change Management	Strategy & Final Project
Business Law***	Global Business Environment
Corporate Social Responsibility***	Personal Development
HR Strategy	Strategic Decision Making
Electives - Second Year	
Asset Pricing ***	International Management
Portfolio Management ***	International Finance
Leadership Roundtables ***	Performance Management ***
Building New Ventures	

Credits

Students attend class every other weekend from Thursday 13-18, Friday 8.30-17.15, Saturday .8.30-17.15. Courses are normally taught on two weekends with an average of 46 teaching hours and account for 6 ECTS credits. The MBA curriculum consist of a total of a mininum of 90 ECTS credits. Courses market with * are exeptions.

* 9 ECTS credits course. *** 3 ECTS credits course.

Admissions and Applications

Each year up to 55 students are enrolled with diverse academic and professional backgrounds.

Due to the limited space in the MBA class, RU cannot offer admission to each applicant. We evaluate all parts of the application and specifically we evaluate applicants on intellectual vitality, leadership potential and personal qualities and contributions. An important goal in the admission process is to create a group with diverse educational backgrounds and work experience. We want students who contribute to the classroom and are willing to share their experiences, because we believe that all students learn invaluable lessons from sharing experiences and perspectives with classmates from many different backgrounds.

Interviews are by invitation only and are conducted in Icelandic and English

Management Accounting and Control & Financial Reporting

9 ECTS

Year of study: First year

Semester: Fall 2009

Type of course: Core course

Schedule: 69 Hours of teaching

Lecturer: Bryant Murray

Introduction

This course is approached from the perspective of accounting data being used for management decision-making. The manager's use of the accounting output will be uppermost in our minds as we cover the financial accounting, managerial accounting, cost accounting, strategic cost management and management control areas. Accounting is not undertaken as a challenge in and of itself, but as a complement to the other functional areas of the program. Its objective is to make you, the manager and business leader, a more effective decision-maker. To this end, the course is concerned with relevant accounting data collection, processing, interpretation and usage. The case settings, rather than being accounting exercises as such, are opportunities for the student to select the appropriate accounting techniques and manipulate the data so as to either make better decisions, or respond more intelligently to the decisions of others.

The major segment of the course is the more internally oriented management accounting with its emphasis on planning, coordinating, controlling and decision making. Management accounting's strength is in its flexibility and its specificity to the program at hand. The underlying theme of "different costs for different purposes" will prevail. A section on the role of management in the financial reporting and the understanding of financial statements as they are currently prepared for external users will form the first module of the course.

Management accounting plays a key role in all parts of the process. Thus, management accounting has to be strategic in its orientation, control processes must support the strategic direction of the firm, and therefore the overall goal of the tools and techniques of management accounting must have consistency and a strategic fit.

Objectives

To provide the participant with the capability to utilize accounting and control data in a managerial decision making context.

Evaluation

For all modules

Financial Analysis	25%
Group assignment	15%
One page memorandum	10%
Class contribution	25%
Final Examination	25%
	100%

Approximately 25% of your final grade will be as a result of your contribution to the class discussion. I will be evaluating both the quantity and the quality of your efforts. For example, starting a class with a good size up, significant analysis of the issues, or integration of the discussion will count for more than a casual

comment or elaboration, which in turn will count for more than no comment at all during the class. In addition, to my evaluation there will be input from both your peers in the learning team and the class. Class contribution is assessed by me at the end of each session and by peer evaluation at the end of the course. Class contribution is based on quality content that you make during the session. Our standard Includes:

- Answering a question
- Asking a question
- Introducing your personal experience in a similar situation
- Developing ideas proposed by peers
- Enriching the class through new perspectives on the issue

Clearly, preparation is critical but active contribution is vital to not only your learning but those of your colleagues.

The group case write-up should be approximately 4-6 pages in length, plus appropriate exhibits and an executive summary. The write-up should be managerial in orientation.

Please ensure that you have read all the cases and readings for the module prior to class.

Text

Anthony, Hawkins and Merchant (2004), Accounting: Text and Cases (12th ed.), McGraw Hill/Irwin [New York], 2007.

Pre-Read (Pre-Session)

Participants who have no formal accounting training or feel a degree of discomfort with accounting, its model and financial analysis should undertake the following pre-sessions prior to our first session in August. Experience with prior EMBA groups indicates that about 24 hours work are required to gain a working mastery of the material. The material tends to be technical but given the self-study nature it has been found preferable to taking several short sessions (2-4 hour segments) rather than longer sessions. Participants have indicated that the material is somewhat challenging but not arduous. Time and performing the self-study examinations are critical.

1. Work through Anthony, R.N. and L.K. Breitner, Essentials of Accounting, 8th edition. Experience has indicated that about 20-24 hours are necessary to complete.
2. Read Merrill Lynch, How to Read a Financial Report (2-3 hours).

Year of study: First year**Semester: Fall 2009****Type of course: Core course / First Year****Schedule: 46 Hours of teaching****Lecturer: Bryant Murray**

Objectives

The main aim of Managerial Economics is to present many of the decision problems managers face and to provide the economic analysis they need to guide these decisions. The amount of “pure” microeconomics is kept to a minimum. The microeconomics component is important mainly because it establishes the setting in which managers must make production, pricing, investment, and other strategic decisions.

Specific goals include:

- structuring decision problems
- analyzing a product’s revenues and costs
- finding optimal (i.e. profit-maximizing) sales quantities and prices
- identifying market segments and practicing price discrimination
- optimizing under resource constraints
- coming to grips with uncertainty by making probabilistic forecasts
- making optimal sequential decisions under uncertainty
- deciding when to acquire additional information & actions to take in light of new information
- distinguishing different market structures: competition, monopoly, and oligopoly
- setting competitive strategies using game theory
- evaluating public goods and public programs
- understanding the benefits and costs of government regulation
- identifying the patterns, benefits, and costs of free trade
- recognizing common decision making pitfalls

This is a formidable list but the hope is that long after you may have forgotten the details of some particular computation or concept, you will retain the general knowledge and insights about economic decisions.

Prerequisites

Understanding of Excel is helpful, as homework will incorporate worksheets. You can learn the Excel functions needed at our level in class or – alternatively – in the preparation course offered by RU MBA.

Evaluation

Grades will be based on the following:

Individual contribution to class learning	10%
Group homework 1	10%
Quiz 1 (Oct 24)	15%
Group homework 2	10%
Quiz 2 (Nov 21)	15%
Final examination	40%

Reading Material

William Samuelson and Stephen Marks, Managerial Economics, John Wiley & Sons, 5th Edition, 2006. This is also available on the iPhone and iTouch and online through www.coursesmart.com

Assigned readings from HBR, WSJ, etc

Year of study: First year**Semester: Fall 2009****Type of course: Core course****Schedule: 46 Hours of teaching****Lecturer: Ann Armstrong****Introduction**

In this course, we will discuss the theoretical and empirical bases of the discipline of organizational behaviour (O.B.). We will review individual, group, organizational, and inter-organizational dynamics. The course will be descriptive, rather than prescriptive, in focus. We cover such topics as individual differences, emotional intelligence, motivation, communication, stress, team processes, decision-making, design, culture and innovation.

The course uses *multiple* perspectives (i.e., *frames*) that you can use to assess the effectiveness of your organization's processes and structures. The *frames* integrate much of the current theory and research in the discipline. There are four: (1) a *structural* frame which emphasizes goals, roles, formal relationships and the 'rational' side of organizations; (2) a *human resource* frame which focuses on individual needs, attitudes and skills; (3) a *political* frame which examines power, conflict and coalitions among those who have vested interests to protect and advance within a context of scarce resources; and (4) a *symbolic* frame which explores how organizations create meaning and belief through symbols, including myths, rituals and ceremonies.

By the end of the course, you should have an even better appreciation of the complexities of organizations and be able to make more effective decisions in your work roles.

Objectives

Most of the learning will come from active engagement in the class discussions and other in-class activities. You have much to share with and learn from your classmates!

Reading Material

Our textbook is Bolman, L. and T. Deal (2008) *Reframing Organizations – Artistry, Choice, and Leadership* (4th ed.), San Francisco: Jossey-Bass. There is also a case package. I will be posting additional material on the course website regularly.

Evaluation

Personal Values Paper	20%
Team Effectiveness Assessment	20%
Situation Analysis	35%
Final Exam	25%

Effective Negotiation

3 ECTS

Year of study: First year

Semester: Fall 2009

Type of course: Core course

Schedule: 23 Hours of teaching

Lecturer: Aðalsteinn Leifsson

Introduction

This course focuses on the development of Negotiation skills, which are crucial for achieving results in an increasingly complex and international business world. We will examine the dynamics that occur before, during and after a negotiation and the theory behind various approaches to negotiations through readings, in class discussions, simulations, case studies, assignment projects and role playing games.

Topics to be addressed include;

- claiming vs. creating value – also known as distributive and integrative bargaining –
- preparations strategies,
- developing trust,
- the concept of power,
- psychological and emotional aspects of negotiation,
- multi-party/group negotiations,
- debate in negotiations,
- proposals,
- communication and perception,
- electronic negotiations,
- salary negotiations and
- negotiations in the work-place.

The emphasis throughout the course is on *active participation* of students, as dynamic participation – coupled with honest feed-back – is an effective way to learn new skills and change behaviour.

Objectives

By the end of the course you should be able to:

- Prepare effectively for negotiations, including thorough analysis of interests, ZOPA, BATNA, win-win potential, contingency contracts, cultural aspects etc.
- Use your strengths and counteract your weaknesses in negotiations and know your bargaining style preferences
- Develop a plan for negotiations - including framing the issues at hand, leading the debate, managing concessions and effective presentation of proposals
- Use active listening and deal with difficult situations in negotiations
- Design methods to enhance trust and build mutually beneficial a long-term business relationship

Or, to put it simply, the overall objective is that you will acquire general knowledge and insights about negotiations that will be of real and tangible value for you in every day life and business. That's why I say that we are on a mission to make you a great negotiator!

Reading Material

Background readings are indicated from the main textbook *The Mind and Heart of the Negotiator* by Leigh L. Thompson (Prentice-Hall, 4th International Edition) and Articles that are provided in the folder. There is a distinction made between Required Readings and Optional Readings. Chapter 2, 3, 4 and 9 are required reading (more detailed information below). Further to that you will receive articles in your folder, which are an additional / optional reading.

Course Format

The course consists of classroom sessions, simulation exercises one-on-one or group vs. group and discussions in work-groups, as well as background readings. Classroom sessions introduce ideas and approaches for tackling real-world negotiations in different settings.

Before the course starts you will get the main textbook and a binder that contains lecture slides, simulation exercises, cases and some additional readings.

Year of study: First year**Semester: Spring 2010****Type of course: Core course****Schedule: 46 Hours of teaching****Lecturer: Joe Pons**

Introduction

The Marketing Management module takes place over an intensive 6 day period, taught with a few weeks in between both modules. Both time limitations and the relative complexity of the issues to be tackled will present a number of challenges that everyone must be aware of in order to make it a worthwhile learning experience. I am convinced that the level of motivation will overcome potential difficulties as we go along. This note will give you some hints on how to make the most out of this experience as well as provide a detailed overview of the path that we are going to travel together. Being a course on Marketing Management (note the underlining!!), cases will be the primary material for the course together with a set of supplementary readings which will be handed out in class. Copies of slides will also be made available. For the sake of structure, each day will unfold a particular theme, helping participants to focus on the groups of issues to be analysed. Timing considerations will require us to gather speed rather quickly and to make the most out of the available number of classroom hours particularly the first week of the course when the novelty factor will be more present. In order to optimise the learning experience good level of class (case) preparation is of the essence. The word "intensive" used in the first paragraph must be taken in a literal sense.

Objectives

This course has been designed with the objective of helping the students develop a conceptual framework (their own) covering the basic variables that come to play when companies make decisions related to the generation or development of business opportunities. We will try, in other words, to structure your thinking when approaching a marketing problem. The number of concepts we shall be dealing with is not large by any means and none of them requires deep reflection to be grasped. They will only become really useful -however- in so far as the participant learns to interrelate them in a coherent manner -as the course evolves. This is where the cases become irreplaceable, as they build on a series of gradually more complex business decisions. As participants will realise this is more a course on how to manage the marketing function than a transmission of marketing concepts and buzzwords. Thorough understanding of the concepts -at a theoretical level- will not be sufficient unless a framework -a methodology that makes analysis more rigorous and straightforward- is built up that encompasses these concepts. Framework building should prove a challenging intellectual task requiring the flexibility to change, adapt and incorporate concepts as we learn to apply them through cases. The fact that the emphasis of this module is on the application of concepts -rather than just theory building- leads naturally to the second objective described below. The cases chosen for the course will always require making decisions, that is, placing ourselves in somebody else's shoes and making a commitment to a specific plan of action. Helping the students to do so in a way which is consistent with their analysis of the relevant issues in the case constitutes the second objective of this course. In other words we will try to improve the balance between your analytical and intuitive capabilities, realising that effective management combines both in order to truly excel at the business generation phase (this is what deep down marketing is about). Decisions will be approached from a general management perspective, keeping a broad view as it is required in a Program like the one you are following.

Achievement of the above objectives to a degree which is perceived as sufficient makes frequent participation in class discussion absolutely essential and careful listening to each other's opinion even more so.

Evaluation

Becoming familiar with the case method might -in some cases- prove a difficult task. As you know there is no "best way" to prepare a case but some comments might be useful as mere suggestions to "get

acquainted” as quickly as possible with a methodology you will be using throughout the Program in many different ways.

Many students find it useful to skim quickly through a case a few days before it’s due; look at the first and the last paragraphs, main headings and exhibits to get a general idea of the type of problem you are confronted with and the information available. You will then start the actual preparation in a much better position to identify relevant factors and summarise them in a manageable number of pages (one or two). When preparing the case some kind of structure must be used to group the issues; a simple framework is provided in the readings distributed before the first case session and I encourage you to use it. It is unlikely that a thorough preparation can be completed in less than two hours (Yes, it says two hours!!). To check for the quality of your individual work you can try and write down your action plan in specific terms. When looking at it some questions will still crop up and a few assumptions will be tested. In case it does not happen, you may reconsider the quality of your own preparation effort.

Assessment

Individual participation grade accounts for 100%.

To complete preparation for the class session, group discussion of the case is essential. Group consensus on specific action plan for each case is neither required nor desirable. Instead use the group to sound out ideas, check basic analytical issues and try your hand at persuading a small number of people. Some time will be available each day for group discussion of the cases assigned.

Teaching and learning activities: Lectures, group-assignments, presentations etc.

Year of study: First year**Semester: Spring 2010****Type of course: Core course****Schedule: 46 Hours of teaching****Lecturer: Kristín Friðgeirsdóttir**

Introduction

Business decisions are often too complex to be made by intuition alone. Understanding the uncertainty involved with the support of data and other quantitative information can be crucial to clarify the available options, develop insights and support analyses. Furthermore, it might be useful to develop simple models to understand what factors drive the data on hand. By using analyses supported with data, simple models and intuition, recommendations can be communicated in a defensible way.

Objectives

The main objective of this course is to help you become more comfortable with uncertainty and some relatively simple methods of analysing data that enable better informed decision making. You will increase your understanding of topics such as corporate risk, market research and forecasting, concepts that are encountered later in the programme. The emphasis throughout the course is on concepts and reasoning, rather than technical detail. You should acquire, or reacquire, some basic skills in data analysis for decision making, but more importantly, become a more informed and critical user of those tools. You should become more confident in asking tough questions on the quantitative work done, for example by market researchers, consultants and financial analysts.

Background readings are indicated from the textbook *Quantitative Methods for Decision Makers* by M. Wisniewski, (FT Prentice-Hall, 4th edition).

Course Format

The course consists of classroom sessions, exercises in small tutorial groups, computer workshops as well as background readings. Classroom sessions introduce ideas and approaches for tackling real-world problems. Tutorial exercises are hands-on exercises solved in your groups. In the computer workshops you will solve cases and exercises using your laptop. The main software used will be Microsoft Excel. You should have a basic familiarity with using Excel before the course, even if you have never used its statistical functions.

The course binder contains lecture slides, tutorial exercises, guidelines for computer workshops, cases and some additional readings. Additional materials, such as solutions, will be distributed in class and via the course website. A very simple hand calculator is needed for the tutorial sessions.

Evaluation and preparation

Some of you may find it useful to skim chapter 2 of Wisniewski, on basic numeracy (you can omit the section on logarithms), before the course. I will be assuming that you are all comfortable with simple notation and equations. If you are not very familiar with Excel please work through the exercises in the documents Excel Basics.pdf and Excel Statistics.pdf (use the files height.xls and Simple_functions_in_Excel.xls) that are posted on the course webpage.

Reading material

Other textbooks than Wisniewski that might be useful (and can be found in the library and the bookstore) are:

- B. L. Bowerman, R. T. O'Connell, J.B. Orris, "Essentials of Business Statistics", McGraw Hill, 2004.
- S.C. Albright, W.L. Winston and C.J. Zappe, "Managerial Statistics", Duxbury, 2000.
- L. Gonick and W. Smith, "The Cartoon Guide to Statistics", HarperResource, 1993.

You are strongly encouraged to prepare thoroughly for each session (see readings listed below). With good preparation you will be able to be comfortable with practical quantitative tools no matter what your background is.

Assessment

Course participation (20%)

Group assignment (40%):

Individual assignment (40%):

Session Format

The sessions consist of a lecture and a tutorial, in which hands-on exercises are solved, or a lecture and a workshop, in which computer exercises are solved. The format of the last day is different with a lecture in the morning and the rest of the day dedicated to a case competition.

Year of study: First year**Semester: Spring 2010****Type of course: Core course****Schedule: 46 Hours of teaching****Lecturer: Marc Sachon**

Introduction

Shortening product life cycles, increasingly demanding consumers and global competition force companies in many sectors to focus on their core competencies and outsource non-core operations. Today, many people speak of the current economic crisis. While the crisis has hit many companies and cut sales by double-digits, not all is negative: every crisis is the beginning of an upswing! Companies that go to work, analyze and adjust their value and process chains will benefit most – both during the crisis and afterwards. Examples can be found in many places, including the textile sector, *enfant terrible* of high labor cost countries (such as Europe) or even the automotive sector.

The best companies today are those which have a team work culture (cross-functional teams of marketing, finance and operations etc.) – and companies that have realized that operations management is at the core of everything they do. This applies even if they are active in the service sector: operations have to be managed adequately, or the company will have no future. Thus the basic concepts covered in this course can be applied to a wide range of problems, from managing factories managing hospitals or even financial institutions.

Objectives

The objective of the course is to present the basic concepts of operations and supply chain management and generate interest with the students. Hopefully, after completing this course, students will be able to see how the basic concepts covered can help them solve the challenges in their business environment.

Evaluation

This course is based on case discussions, lectures and simulations. It is of the utmost importance that participants read the material and work in their teams to develop solution approaches or analyze the processes of the companies described in the cases. During the course, each team will have to present one case analysis at the beginning of the session. This presentation and its underlying analysis and documents will form part of the course grade (details see next page). At the end of the course there is a final exam.

The final grade consists of:

- Participation
- Presentation
- Group assignment
- Individual Assignment

SESSION GUIDELINES:

- Please be punctual
- Please be prepared for each session – we need your input!
- Please leave your laptop closed during each session
- Please do not leave the class during a session
- Please turn off your mobile phone at the beginning of the session
- There will be cold calls during this course!

TEAM PRESENTATIONS

During this course, each team will be responsible for a formal presentation of no more than 10 minutes at the beginning of the class.

Deliverables for the presenting team (before the start of the class):

- A report of not more than 3 pages (plus appendix), hard- and soft-copy. The report should contain both a brief analysis and recommendations. The three-page limit is for text only. You may attach as many numerical calculations as you wish. The report has to be handed in by the beginning of the class.
- A hard-and softcopy of your presentation, to be handed in before your presentation

After the formal presentation, the instructor will randomly select two or three participants to ask questions. After this we will start the case discussion. The assumptions and hints contained in this document can be used by all participants for the preparation of their cases (e.g., assumptions for the National Cranberry Case). The table below lists which team has to present at the beginning of which session:

Each student will receive a *Personal Learning Log*. The student should enter his/her key learning points into the Personal Learning Log at the end of each session. These key learning points do not have to coincide with those of the professor – they are personal! At the end of the day – during the *Red Thread Review* – we will dedicate some 30 minutes to reviewing the day and discussing the key insights, questions, surprises. This is where your Personal Learning Log comes in: you may use it as a reference and contribute your observations.

Almost every day you will have *Reflection & Team Work* modules. During these periods you will meet with your team and a) briefly reflect on the previous sessions and b) prepare the following sessions. It is very important that you do so in a structured manner. One way to do so would be to assign a team member to be the discussion leader who keeps the time and makes sure that you move on to the next topic when necessary.

Year of study: First year**Semester: Spring 2010****Type of course: Core course****Schedule: 46 Hours of teaching****Lecturer: Claus Parum**

Introduction

Global Business Environment develops the analytical framework required for understanding the global macroeconomic environment and its impact on business. Issues related to economic growth, inflation, interest rates behavior, exchange rate determination, unemployment and the current account, among others, will be explored. These variables, and many others, are all central to an understanding of basic macroeconomics.

Indeed, one can not pick up a newspaper or magazine without reading about something which is directly related to macroeconomics: Is inflation about to rise? What is the Fed doing regarding the sub-prime crisis? Is the American current account sustainable? Will the US dollar continue its depreciation relative to the yen and the euro? Is European recovery for real? Is the Renminbi undervalued? By how much? Will Poland adopt the Euro soon? What is the impact of ECB policy on EMU core countries?

Objectives

At the end of the course you will be expected to critically assess how possible developments in the world economy -- such as a change in the monetary policy stance by the FED, for example -- will affect the economic environment. You should come out from this course with a clear understanding of the arguments for and against specific policies, and be able to analyze their effects on consumers, workers and business. The course has two characteristics: First, its emphasis is international. The vast majority of examples and case studies will deal with the international economy. The approach taken here recognizes that learning macroeconomics from a closed economy perspective does not make any sense in today's world. Second, this course is eminently practical; concepts and models will only be discussed to the extent that they have direct bearing on the understanding of real life situations.

Course structure

The course is divided into two parts:

- Module I deals with issues regarding developed countries issues in international economics.
- Module II deals with long term issues in emerging economies.

III. Evaluation

Since learning benefits from application, both class participation and group's project will be an important part of the final grade.

The final grade will be based on

Class participation	30%
Group project	30%
Final exam	40%

Year of study: Second Year

Semester: Fall 2010

Type of course: Core course

Schedule: 46 Hours of teaching

Lecturer: Jónas Fr. Jónsson

First weekend – Business Law

Introduction

In the beginning the course will address some basic issues regarding the formation and fulfilment of a contract. There will be introduction of the basic rules regarding tort law and a discussion about the subject of competition law. The course will provide an insight into the main issues regarding limited liability companies, shareholder rights and responsibility of managers and board members. Furthermore, the course will address the obligations of companies listed on the Stock Exchange and examine rules on mergers and acquisitions. Finally, the course will consider issues regarding corporate governance and corporate social responsibility.

The course will be based on European and Icelandic law as the case may be.

Objectives

The objectives are to provide managers with basic knowledge of business law from a broad perspective in order to enhance their ability to ask questions, seek information and make decisions when legal issues are involved. It will furthermore provide some insights into the topics of corporate governance and corporate social responsibility.

Teaching method and language

Lectures and cases, which students will solve in groups.

The language of the course will be English (except for some reading material).

Grading

10% attendance and class participation (individual).

25% case study solutions (group).

25% homework solution (group).

40% multiple choice exam at the end of the course (individual).

Reading material

Selection of reading material from books, articles, cases and statutes (folder).

Lectures and slides.

Material that may be distributed in classes.

Additional reading is for further knowledge beyond what is essential for the course.

Second Weekend – CSR

Course Description

The course provides a general grounding in the theory and practice of Corporate Social Responsibility (CSR) and both theoretical and applied ethics. However, the course does not proceed simply on the basis of topic related lectures, although each lecture has a specific theme. Instead, the programme, for this part of the module, is designed to be integrative and to address the hypothesis: ***“CSR is an attainable form of ethics in business.”*** Emphatically, this is a hypothesis and not the pre-conceived conclusion of the course’s content. Whether this hypothesis is either proven or dismissed (or somewhere in between), will be the concern of each class member. There are no conclusive or definitive answers to subjects which are highly qualitative in nature and evolving in applied or empirical contexts. The individual and group interpretation of material and analysis of cases is the key to the teaching and learning process. The course is designed to support its assessment component in terms of both group and individual assignments.

The course content is designed around the following components:

- (i) a critical analysis of the origins, objectives, range and governance of CSR policies.
- (ii) a review and analysis of the range of ethical theories underpinning mainstream business ethics.
- (iii) a perspective on the ethical implications of managerial activity and decision-making.
- (iv) a practical insight into the way that CSR policies can be developed.
- (v) an insight into applied business and organizational ethics through the analysis of case studies and audio visual material.

Learning Outcomes

On completing the course students will be able:

- (i) to understand the scope and content of CSR-related policies and objectives.
- (ii) to understand, and be able to articulate, the debates concerning CSR issues.
- (iii) to understand the scope and content of ethical theory and its relevance for diverse institutional and operational business contexts, and individual ethical choice and agency.
- (iv) to develop insight into how CSR policies and initiatives may evolve and the actual and potential relationship between CSR and managerial ethics.
- (v) to be able to become involved, in an informed and effective manner, in the CSR-related initiatives of one’s own employer, where appropriate.
- (vi) to draw on course material as a theoretical grounding for research undertaken in fulfilment of a

masters dissertation on a related topic.

Teaching method and language

Lectures and cases.

Cases will be addressed through group consultation.

The course will be conducted in English

Grading

10% class participation (individual).

45% case study solutions (group).

45% essay assignment (individual)

Study material

A selection of material from books academic and other articles pre-distributed (see course folder).

Additional texts and cases distributed in class.

Lecture presentation material.

Audio-visual material.

A consolidated reading list provided for assessment support and distributed in class.

Year of study: Second Year**Semester: Fall 2010****Type of course: Core course****Schedule: 46 Hours of teaching****Lecturer: Paul Kearns**

Introduction

Organisations do not dream up business strategies just because it is an interesting exercise. The reason they have to produce their own business strategy is because they have competition. If they did not have competitors they would not need a strategy. Today, even non-profit and public sector organizations have to 'compete' with all of the alternatives that are available (e.g. outsourcing).

In this context HR strategy has to fulfil the same role as any other function and that is to create a sustainable competitive advantage (e.g. marketing has to produce a competitive marketing strategy). Much more importance is now attached to HR strategy because in an increasingly, globalised world competition is becoming more intense. In fact, we are now witnessing an era of Human Capital Management (HCM) where strategic HRM is beginning to influence many other aspects of organisational management and valuation. This is the field of study for this course.

So how do existing HR strategies measure up against this challenge? If HR strategy is about creating a unique and sustainable competitive advantage why, in reality, do most HR strategies look the same? For example, most companies use the same HR practices of performance reviews, competence frameworks, and employee engagement surveys. Also, is the new term, HCM, just a change in name or does it really represent something fundamentally different: both in terms of HR strategy and organisational management theory and practice? These questions present a serious dilemma for HR strategists and the organisations they serve but also make this a highly topical subject of major importance. It is also a fascinating area for further analysis and study for anyone in a specialist HR role or general management.

Objectives

My aim on this course is to help you strip down the subject of HR strategy and think through, for yourselves, what it has to offer the business community, employees and society at large. It will, of course, address many of the most relevant, topical issues in academic research and theory but it makes no attempt to provide a survey of academic texts. Instead it is designed to help you to achieve your MBA, improve your managerial ability and offer plenty of food for your own original thoughts on the subject.

Format and teaching methods

This course was originally designed as a classroom-based course and run for the first time in 2005. It was then adjusted, developed and refined in the following 2 years and student feedback was fortunately very positive from all three courses. In 2008 I decided to reduce the over-reliance on classroom teaching, reducing classroom time from 6 days to 4 to make the programme easier to complete and more flexible. It was also designed to make much better use of the face-to-face tuition time by ensuring you do as much pre-reading as possible and make the classroom time more interesting (less use of slides) and interactive, doing some exercises along the way to translate the theory into action. I also decided that an injection of a little 'technology' (video, podcasts, online exercises) would enhance your experience on the course. This is therefore the second year of this revised format and the plan is now for the programme to become a core course in 2010.

Since the original programme I have gradually taken out some of the overly academic content of the course by removing some of the academic texts from the reading list and replacing them with other documents which you can read online or download. This shifts the emphasis away from academic studies to focus more on effective management practice. Of course, I would still encourage you to read as widely around the subject as you can and to research whatever HR academic studies you find interesting or of use. There is still a large element of classroom time though and I would just like to make a quick comment about my own classroom teaching style, which is intentionally thought-provoking, challenging, participative and

interactive. You will be constantly encouraged to voice your views and explore every aspect of this fascinating subject. I will do my best to make the course academically rigorous, incisive, insightful, interesting and fun. I hope you will appreciate this approach and I very much look forward to working with you.

Reading material

Selection of reading material from books, articles, cases and statutes (folder).

Evaluation

The final grade will be based on class participation, individual assignment, group project and a final exam.

Year of study: Second Year**Semester: Fall 2010****Type of course: Core Course****Schedule: 46 Hours of teaching****Lecturer: Gerard Seijts**

Introduction

An important component of management in a rapidly changing business environment is the planning and control of organizational and behavioural change. I am delighted to work with you as we explore this important management topic! Whether incited by technology, competition, crises, globalization, or inspiration, organizational change has truly become a constant in today's business world. This document describes the course and provides basic information that you will need throughout our time together. The course will focus on theory, research and practice of both planned and unplanned change, with emphasis on the development of change techniques in terms of procedural and mental frameworks with which to diagnose, implement and evaluate organizational change processes. In short, my goal is to help you become a more effective leader of change. One's effectiveness as a leader or team member requires a variety of skills in leading change and the conflict that generally arises with it. Individuals within groups and organizations need to be able to create conditions in which people take the personal risks necessary to respond to change, to engage in task-enhancing conflicts, and to build new capacities. They must be able to craft coalitions to support innovation proposals in the face of foreseeable resistance and to buffer themselves from conflict inherent in the complex organizational arrangements that are now being implemented. Leading change and its attendant conflicts entails a variety of skills — some conceptual and diagnostic, others strategic, political and interpersonal.

Objectives

1. To develop an understanding of the complexity and dynamics of change in organizations. The objective here is to identify the different variables (e.g., social structure, interpersonal relations, or environmental demands) and their interrelationships that create or impede change.
2. To discuss and evaluate different change techniques.
3. To provide techniques for recognition and response to change opportunities and efforts.
4. Increase your skill in dealing with change, through observations, analysis, and experimentation.
5. Enhance your sensitivity to the contribution and consequences of the human element as related to organizational change.

Methodology

Change management is an applied aspect of leadership that cannot be appreciated fully by traditional pedagogical methods. Some of the sessions in this course will include lectures, but class discussions, small group activities, videos, and scenario responses will enrich opportunities for learning. You will also be asked to reflect on challenges you may encounter in your work settings as well as those that are prominent within the national and international business news. You may find it useful to keep a journal of reflections on personally relevant lessons from class discussions and your insights into past and current experiences. It is critical to consider how the lessons from the case discussion generalize beyond the classroom. The course requires a high level of participation by all students.

Required reading:

The course reading packet includes most reading materials. Additional readings will be distributed throughout the course. Most of the readings will help you address the issues in the corresponding cases; others provide general background material. While we may not discuss each reading, failing to read and think about each reading will limit your ability to address that day's assignment.

Evaluation:

The evaluation will have three components: class contribution, a group project, and a final exam.

Asset Pricing

3 ECTS

Year of study: Second Year

Semester: Fall 2009

Type of course: Elective

Schedule: 23 Hours of teaching

Lecturer: Kári Sigurðsson

Introduction

I do not assume any prior knowledge on asset pricing. However, basic knowledge of statistical concepts and financial markets is useful. The course is split into two parts. The first part is about asset pricing and the second part about portfolio management. The second part of the course can be thought of as an application of asset pricing. The following topics will be covered in each part:

Objectives

- Introduce facts about equity and bond prices.
- Introduce basic principles in asset pricing for equities, bonds and derivatives.
- Introduce the asset management industry.
- Apply asset pricing in portfolio management.

Asset Pricing

- Overview of financial instruments and technical concepts.
- Portfolio and equilibrium theory.
- Market Efficiency and Behavioural Finance.
- Bonds
- Derivatives: Options, Futures, Forwards and Swaps.

Teaching Methods

I will use a mixture of lectures, case studies and group assignments to introduce the tools and techniques relevant for a general understanding of the course material.

Evaluation

Grading will be based on the following elements:

Class participation (30%)

Group assignment (40%)

Individual assignment (30%)

Teaching Material

Course textbooks

Zvi Bodie, Alex Kane and Alan J. Marcus, Investments, 8th edition, 2007. McGraw-Hill International Editions; ISBN 978-007-336335-8.

Edward E. Qian, Ronald H. Hua and Eric H. Sorensen, Quantitative Equity Portfolio Management. Chapman & Hall/CRC; ISBN 1-58488-558-0. (Chap. 5 and 6).

Year of study: Second Year**Semester: Fall 2009****Type of course: Elective****Schedule: 23 Hours of teaching****Lecturer: Kári Sigurðsson**

Introduction

I do not assume any prior knowledge on asset pricing. However, basic knowledge of statistical concepts and financial markets is useful. The course is split into two parts. The first part is about asset pricing and the second part about portfolio management. The second part of the course can be thought of as an application of asset pricing. The following topics will be covered in each part:

Objectives

- Introduce facts about equity and bond prices.
- Introduce basic principles in asset pricing for equities, bonds and derivatives.
- Introduce the asset management industry.
- Apply asset pricing in portfolio management.

Portfolio Management

- Introduce the asset management industry and stylized facts about how it works.
- Overview of the main concepts in asset management.
- Apply asset pricing in portfolio management.
- Discussion of selected issues in the asset management industry.

Teaching Methods

I will use a mixture of lectures, case studies and group assignments to introduce the tools and techniques relevant for a general understanding of the course material.

Evaluation

Grading will be based on the following elements:

Class participation	(30%)
Group assignment	(40%)
Individual assignment	(30%)

Teaching Material

Course textbooks

Zvi Bodie, Alex Kane and Alan J. Marcus, Investments, 8th edition, 2007. McGraw-Hill International Editions; ISBN 978-007-336335-8.

Edward E. Qian, Ronald H. Hua and Eric H. Sorensen, Quantitative Equity Portfolio Management. Chapman & Hall/CRC; ISBN 1-58488-558-0. (Chap. 5 and 6).

Leadership Roundtables**Year of study: Second Year****Semester: Spring 2010****Type of course: Elective****Schedule:****Lecturer: Henry Mintzberg and Jonathan Gosling****Introduction**

Leadership Roundtables is a unique course that we organise in collaboration with Henry Mintzberg and Jonathan Gosling and five business schools in the UK, Canada, Mexico, Russia and Slovenia.

Mintzberg is a world known authority on leadership and management (<http://www.henrymintzberg.com/>). He is a regular contributor to Harvard Business Review and his books have sold in millions of copies. There is not a single conference or publication on MBA studies without lively discussion on Mintzberg and his criticism on conventional MBA programmes.

In 2007 six students from MBA 2008 attended the Leadership Roundtables in Bled, Slovenia, in 2008 the event was held in Iceland.

In 2009 the Leadership Roundtables should have taken place in Mexico, but were postponed at the last minute due to the H1N1 flue.

In 2010 the event will be held from 20 June to 25 June at Exeter in the UK.

There is an extra cost of EUR 3.500 involved for this course, but the RU MBA subsidizes participation of up to 10 students by EUR 1.500.

MBA 2010 students are welcome to participate, although the course will take place after graduation, as the course did not take place last year.

Year of study: Second Year

Semester: Spring 2011

Type of course: Elective

Schedule: 46 Hours of teaching

Lecturer: Finnur Oddsson

Introduction

Course Description & Objectives: *"...if you pit a good performer against a bad system, the system will win almost every time"* (Rummler and Brache, 1995, p. 64) The topic of the course, performance management, will be discussed at three different levels; organizational, process and performer. The course will focus very briefly on the first two levels, which emphasize the organization's relations with the market, organizational strategy and objectives and the design of effective processes reaching objectives. The main focus of the course will be on the critical conditions of performance at the individual level, with an emphasis on performance definitions, measurement and measurement techniques, feedback and consequence management. In addition to the above the course will address the theoretical foundations of performance management (behavioral motivation theory) as well as popular motivation strategies, such as performance appraisals, appraisal interviews and rewards & recognition. The purpose of this course is to introduce students to practice and research in PM and to provide students with the skills needed to apply the fundamental principles of ABA to a variety of performance problems in organizational settings

Objectives

Upon completion of this course students should:

- Have adopted pragmatic, results-oriented
- Analyze performance problems using the PM approach
- Pinpoint problem performance and suggest appropriate solutions
- Develop reliable performance measures
- Create feedback and reinforcement systems to improve performance

Class Hours and tentative Outline:

Week 1:

- Apr. (5 hours): Introduction to Performance Management, Performance Systems and Process Analysis, ABC model and consequences
- Apr. (8 hours): Positive reinforcement, pinpointing performance, measurement, analyzing performance problems, and feedback. Guest lecture on measurement.
- Apr (8 hours – less a break for elections!):

Feedback delivery practices, coaching, case studies analyses, measurement exercise and presentations, critiquing action plans, developing a plan to address performance problem at work

Assignments Assignment I

In-company: Identify a performance problem/challenge at work and (1) analyze the problem from a Performance Management perspective, (2) create an action plan to address the issue. This assignment includes a written report and willingness to have the performance issue discussed in class.

Assignment II

In class: Design, testing and presentation of a performance measurement system for service behaviour.

Both assignments will be group assignments.

Form and due dates Small Group Assignment I should be submitted through

e-mail to finnur@vi.is AND in hard-copy to the MBA office. Assignment II will be delivered in class.

Weight Class participation: 35%

Assignment I: 50%

Assignment II: 15%

Reading Material

1. Daniels, A.C. & Daniels, J.E. (2004). *Performance Management: Changing behavior that drives organizational effectiveness*. Atlanta: Aubrey Daniels International, Inc. *This is a must read for everyone and should be completed prior to class. All chapters.*
 2. Daniels, A.C. & Daniels, J.E. (2005). *Measure of a Leader*. Atlanta: Performance Management Publications. *This is supplementary reading along with any additional readings provided at a later stage.*
- Selected Articles: TBD

Other useful references:

Abernathy, W. B. (1996). *The Sin of Wages*. Memphis, TN: Perfsys Press. Brace, A. P. *How organizations work*. New York: John Wiley & Sons, Inc. Daniels, A. C. (2000). *Bringing out the Best in People*. New York: McGraw-Hill. Gilbert, T. F. (1996). *Human competence*. Washington, CD: International Society for Performance Improvement. Komaki, J.L. (1996). *Leadership from an operant perspective*. London: Routledge. Mager, R. F. (1984). *Goal analysis*. Belmont: Lake Publishing Company. Mager, R. F. & Pipe, P. (1984). *Analyzing performance problems*. Belmont: Lake Publishing Company. Parsons, H. M. (1992). Hawthorn: An Early OBM Experiment. *Journal of Organizational Behaviour Management*, 12, 27-43. Rummier, G. A. & Brache, A. P. (1995). *Improving Performance: How to manage the white space on the organizational chart*. San Francisco: Jossey-Bass.

Year of study: Second Year**Semester: Spring 2011****Type of course: Core Course****Schedule: 46 Hours of teaching****Lecturer: Eric Weber**

Introduction

Management is about action, about making things happen, about positively transforming the reality in which managers “perform”. To do this, and do it well, requires sound decision making skills. This course is intended to further develop student’s acquired ability to think and solve complex real-world business problems; problems that are not functional in nature, but rather include all aspects of management. Thus, this strategic decision making course is integrative in nature, pulling from all disciplines of management. A general framework for strategic decision making will be reviewed where the different stages involved in making decisions and implementing them will be dealt with: Defining the problem(s), establishing the criteria (quantitative and qualitative), designing alternative solutions, and making a decision based on both objective criteria and the ease of successful implementation of the chosen solution.

Teaching methodology and course evaluation

This course is based on real life case studies, with a few summary lectures spread throughout. Teams are expected to make a presentation of an assigned case before the general discussion of that case. The logistics, expected format and time available for each team presentation will be detailed the first day of the course. As the case method will be extensively used, class participation will be key both for the learning process and for evaluation. For me, class participation is not simply being present in class, but rather participating actively in the discussion. As I have relatively few days with you, I would appreciate that you always sit in the same place if possible and that you have your nametag in front of you at all times. These two actions will help me get to know you faster and also aid in my evaluation of your participation.

Your course grade will be based on your performance in class as stated above, worth 40%, a quiz on a case (to be determined) worth 10%, a group project on the Typhoon Computer GmbH case worth 30%, and a case presentation by your team worth the remaining 20%. I adhere fully to the Reykjavik University policies and procedures, including the aspects regarding absences. Please work with the MBA office if you should need to miss a class for any justified reason. Given that the case method is the primary delivery tool used in this course, it is pointless to try to makeup a missed class session.

Should you need to reach me for any course related matter and/or to issues of interest related to the applicability of the course to your professional work, please feel free to send me an email to eweber@iese.edu

Year of study: Second Year

Semester: Spring 2011

Type of course: Core Course

Schedule: Work throughout the two years

Lecturer: Eythor Ivar Jonsson

Introduction

This course is designed to explore strategic issues and formulate a final project based on these issues. The course should provide the students with insight that enable them to analyze strategic issues and organize the strategy making process. The purpose is to explore wide range of perspectives about strategy and to learn how to apply those perspectives. The focus will be on understanding business concepts related to the ten schools of strategy as categorized by Mintzberg. The emphasis is on the practice of strategy. The objective is that students will be able to understand strategy from different perspectives. The main project of the course is a group project which can be a strategic plan or a transformation plan for an organization or a business plan for a new or existing entrepreneurial company.

Objectives

The main objective of the course is to help them to understand the elements of strategy, relevant theories and how to craft a strategy project. After the course students should be able to:

- understand and describe theories related to different perspectives or schools of strategy.
- understand and apply models that are designed to facilitate strategy formulation and frameworks for strategy implementation.
- use the tools and techniques for crafting a strategic plan that solves a problem, prepares action and puts emphases the potential value.
- be able to defend their strategy project in verbal and written communication, as well as make a convincing pitch of it.

Evaluation Structure

Students' overall evaluation for this course will be based on the framework depicted in the table below:

Elements of evaluation	Base of evaluation	Weight
Class participation	Individual	10%
Quick exam	Individual	10%
Strategic project	Group	80%

Final project

The main project of the class is also the final project of the MBA program. The project will be a group assignment which last from January to May 2010. Groups will be able to choose between three possible project types:

A) Strategic plan for an existing business.

B) Transformational plan for an existing business

C) Business plan for a new or existing business.

For example the outline of the Business Plan is based on a classic framework for business plans (a) Preliminary details, (b) Executive Summary, (c) Current situation, (d) Market analysis, (e) Strategy and

Plans, (f) Sales forecast, (g) Financial analysis, (h) Risk analysis and, (i) Conclusions. The framework for the strategic plan and transformational plan will be provided during the first session.

Two to three mentor meetings will be scheduled during January to May to help students to formulate the project and for feedback. Objectives for each mentor meeting will be set in the beginning of the program.

Deadline for the project is before 9:00 on the 2nd of May 2010. Three copies are to be delivered at the MBA office. The ideal length of the project report is 20-30 pages (12 TNR, 1,5 lines).

Presentations of the final project is open to all MBA students).

Textbooks and reading:

The textbook used as a framework is Strategy safari by Mintzberg et al. See the Class Schedule and Readings section below for the articles that will be used.

Year of study: First and Second Year
Semester: Continuous/all semesters
Type of course: Core Course
Lecturer: Auður Arna Arnardóttir

Introduction

Personal development is at the very heart of the Reykjavík University MBA – from the orientation week until the last course of the programme. Through personality tests, personal development papers, short focus courses, group work consultations, coaching clinic etc. students have an excellent opportunity to develop the skills and mindset that really matters for achieving personal and professional success.

Objectives

- Increase self understanding regarding personal values, strengths and weaknesses.
- Ability to set and follow future goals both in personal and professional life.
- Increased ability to understand others and aid in their development.

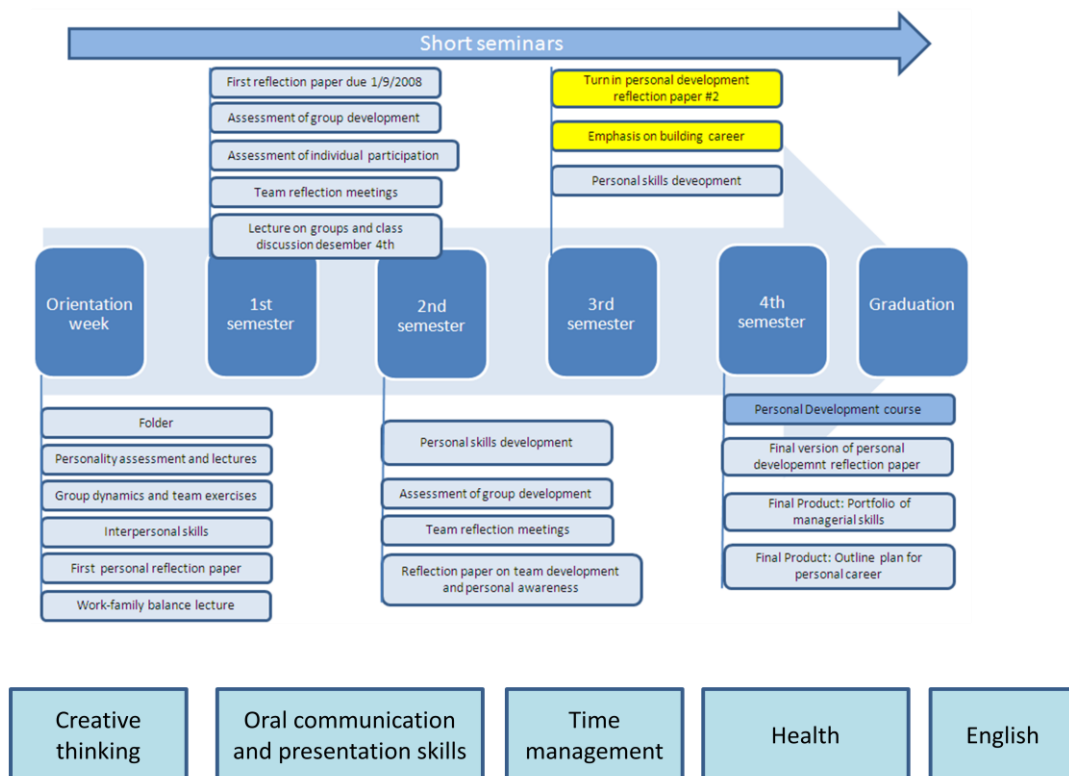
Reading material

Selection of reading material from books, articles, cases and statutes (folder).

Evaluation

The final grade will be based on participation and various assignments throughout the two years.

Personal Development at RUMBA



Year of study: Second Year**Semester: Fall 2010****Type of course: Elective****Schedule: 46 Hours of teaching****Lecturer: Vlad Vaiman**

Introduction

Course Description and Instructional Methods

This course focuses on the challenges and opportunities associated with organizational management and business strategy in the global environment. Students will gain a general overview of the process and effect of internationalization in contemporary business, along with an introduction to theories, concepts and skills relevant to managing effectively in today's global environment. Students will be challenged to integrate knowledge they have gained from other business core courses and apply their accumulated knowledge to business case studies. The class will be conducted as an interactive exchange. Students will take an active role in leading discussion of cases, presenting cases, and providing critical commentary. Each class will involve discussion and dialogue as major elements in the learning strategy, although lecture will be utilized to provide grounding for subject content.

Learning Outcomes

Learning outcomes for this course, upon successful completion, include the ability to: 1) understand the effects of globalization on worldwide economic development; 2) understand why employees at all levels need to manage cultural differences; 3) communicate more effectively with a multicultural workforce; 4) apply cross-cultural negotiation strategies; 5) identify most appropriate foreign market entry strategies; 6) understand ways of formulating and implementing internationalization strategies; 7) employ effective strategies for conflict resolution across cultures; 8) identify ways to build trust across cultures; and 9) understand strategies to manage intercultural teams.

Prerequisites

General good standing in the program.

Required Textbook

Title: International Management: Culture, Strategy, and Behavior, 7th Edition

Authors: Fred Luthans and Jonathan P. Doh

Publisher: McGraw-Hill/Irwin

Supplemental Materials

Business Periodicals, such as Business Week, The Wall Street Journal, etc.

Course Requirements

- participating actively in all class meetings;
- observing the attendance policy;
- preparing and completing all written and non-written assignments ON TIME;
- meeting with the instructor for consultations if necessary.

Self-study Time

There will be home assignments which have to be done as preparation for work in the class.

Grading

Participation and preparedness 20 per cent

In-Class Cases and Exercises 30 per cent

Group Project 50 per cent

Guidelines for Grading and Class Participation

Final grading will be based upon student's participation and progress in the course program. Class participation involves active contribution to the topics discussed in class as well as regular attendance of the class.

Year of study: Second Year**Semester: Spring 2011****Type of course: Elective****Schedule: 46 Hours of teaching****Lecturer: Daniel Isenberg**

Objectives

The first objective of the elective, Building New Ventures (BNV), is to increase the probability that students will sometime in their careers make “the entrepreneurial choice,” that is, decide to establish a new venture which addresses or creates a business opportunity. In most cases, at least one important element of the venture will be global in nature (e.g., global markets, global suppliers, global competitors).

The second objective of BNV is, once the choice is made, to increase the probability that the venture will generate wealth, whether that wealth is personal, social, or both. In other words, the venture will be successful.

Special emphasis will be placed on the issues involved in establishing and growing a global venture from a base in Iceland.

Course Philosophy

Following are some thoughts about the “spirit” of BNV that will help orient you:

BNV is practitioner-oriented. We will place a high priority on developing practical knowledge, which means *the insights and values required to make the entrepreneurial choice, and the skills and competencies to turn that choice into a successful venture.*

BNV is action-oriented. Most of the cases in BNV will have an action component and will require students, taking the perspective of the entrepreneur, to make at least one decision and plan to execute that decision. Analysis of the issues will be used in the service of effective action, and we will place a lower priority on conceptual frameworks and analytic tools for their own sakes.

BNV is integrative. As implied above, students will be required to utilize all of the conceptual and analytic tools they have learned from marketing, finance, strategy, human resources management, negotiations, operations management, etc., in order to make effective decisions and action plans. By taking advantage of all of the perspectives learned so far, BNV presents students with a valuable opportunity to balance and integrate these different perspectives in order to develop entrepreneurial skills and insights.

BNV adopts a multi-cultural perspective. In BNV we try to understand and take into account the often-implicit cultural assumptions that underlie and qualify the definition of opportunity, its realization in entrepreneurial ventures, and even in the definition of success and failure.

BNV is useful for many professions. Although BNV’s primary objective is to prepare students as entrepreneurs, nevertheless, the insights from BNV may help other professionals, such as hedge fund or private equity managers, international marketing and business development managers, venture capitalists, and consultants.

Case Discussions, Classroom Process and Evaluation

1. I will plan the first session (October) carefully, but the December session will be tentative and I will modify it based on the issues that we identify in session 1 that need to be addressed in more depth.
2. The success of BNV will be in engaging all of us as a learning community. The cases, exercises, videos, lectures, and of course, your classmates’ experience, all provide a unique opportunity for

us to achieve the course mission, and of course, for all of us to learn a substantial amount. I will be learning as well, and continually striving to improve BNV and make it as relevant as possible to you, and will remain open to your feedback and suggestions. I have written a large amount of material on the topic of BNV and will try, to the extent possible, to adapt the material to your interests.

3. For the above reason, thorough preparation and active participation and learning in real time are absolutely essential, and I expect all of you to come to class having studied each case, thought about the assignment questions, completed any required exercises, and then be an active class participant.
4. I will post assignment questions for each case as a rough guideline for our discussion. One * suggests about an hour of preparation. Additional *s indicate additional preparation is required, so plan accordingly. It is recommended for you to read the cases once in advance of the block week.
5. By the way, note that many of the cases serve multiple purposes, because they are all taken from real life and have more than one issue in them. So although I put them in a particular module, we will inevitably use each case for learnings in other modules as well.
6. Since participation is so key, 50% of your class grade will be based on participation. I will use the cold call method from time to time, as most of you have probably experienced.
7. The other 50% of your class grade will be based on 2-3 short written exercises and/or presentations, and possibly a short final exam, I have not yet decided.

Year of study: Second Year**Semester: Spring 2011****Type of course: Elective****Schedule: 46 Hours of teaching****Lecturer: Ahmad Rahnema**

Introduction

Globalization, the increasing economic integration of goods, services, and financial markets, presents opportunities and challenges for governments, business firms, and individuals. Although business operations in countries across the globe have existed for centuries, the world has recently entered an era of unprecedented worldwide production and distribution. Worldwide production and distribution are critical for the survival of the multinational corporation, its ability to produce products and sell them at a profit.

Today a great part of corporate operating functions are coordinated globally. As a result, decisions to invest overseas are less likely to be made on a purely individual basis. Instead, the aim of multinational strategic planners has increasingly become the design of a single, comprehensive plan to serve a world market. In helping to execute such a global plan, the corporate treasury and planning staffs still perform the same tasks, capital budgeting, funding, performance measurement, tax planning and risk management, but on a worldwide basis.

International Financial Management respond to this new set of challenges with a tool kit of techniques and market instruments used to maximize the return on the firm's investment subject to an acceptable level of risk. Once we extend beyond the domestic economy, a rich variety of business opportunities exists that must be utilized with appropriate financial arrangements. This course intends to cover many aspects of these international financial transactions that the financial manager may encounter.

Objectives

The main objective of this course is to provide students with a framework for making financial decisions in an international context. Application of finance perspectives in key business decisions such as investment analysis, risk management, global financing and financial logistics as well as the key interactions of finance and competitive strategy in a global context will be addressed.

To this aim, relevant features of international markets and instruments will be covered. Models of exchange rate determination will, also, be discussed. Subsequently, the issue of exposure to foreign exchange rate risk will be addressed from a corporate perspective (the different types of foreign exchange risk, how to measure them, whether and how to hedge them). Concepts learned in other finance courses (Operational Finance, Corporate Finance, etc.), such as business valuation techniques and hedging strategies involving derivative products, will be, therefore, heavily applied.

Topics that related to global financing as well as special financing vehicles are presented. The last part of the course will deal with global investment and capital budgeting issues. Cross-border valuation, risk-return tradeoff across countries/currencies and international contracting are some of issues that will be discussed in this part.

COURSE REQUIREMENTS

Given the recent financial crisis in Iceland and specially the meltdown of the banking industry and the collapse of Icelandic Krona (ISK), we would allocate a substantial part of this course to issues related to FX risk management and management of a downturn. To this aim, during the first class a set of Icelandic companies who have been identifies by the instructor will be assigned to each team, which will be responsible for a typewritten report of maximum 12 pages about how these companies have handled their foreign exchange exposure due to the collapse of IKS. The group also has to make a formal presentation of 30 minutes maximum during the last two sessions of the course. The report should contain both analysis and recommendations. The twelve-page limit is for text only. You may attach as many numerical calculations as you wish. The reports have to be handed in by the beginning of the relevant presentation.

After the formal presentation, the instructor will randomly select two or three participants to criticize the presentation. After this critique the discussion will be opened up to all class participants

COURSE MATERIALS

The course materials consist of Cases, Technical Notes and some readings from journals.

TEXT BOOKS REFERENCES

There are several textbooks, which are recommended as additional reference:

Alan Shapiro, 2003, *Multinational Financial Management*, 7th edition, John Wiley & Sons, Inc.

Piet Sercu and Raman Uppal, 1995, *International Financial Markets and the Firm*, South Western College Publishing.

Kim & Kim, 1996, *Global Corporate Finance* .3rd. Edition, Blackwell Publishers.

ADDITIONAL RECOMMENDED REFERENCES

Journal of Applied Corporate Finance. Best applied corporate finance journal.

The Economist. Excellent weekly coverage.

Financial Times. One of the best newspapers for international financial and company reporting.

EVALUATION

The course evaluation will be as follows:

1. Class Participation (25%)
2. The written report and presentation (75%)