

NEW AMSTERDAM TECHNICAL INSTITUTE

DEPARTMENT OF BUSINESS

COURSE OUTLINE

JANAUARY 2015

ORDINARY DIPLOMA IN COMMERCE

C O N T E N T S

ORDINARY DIPLOMA IN COMMERCE:

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NEW AMSTERDAM TECHNICAL INSTITUTE
DEPARTMENT OF BUSINESS

COURSE OUTLINE

January 2015

ORDINARY DIPLOMA IN COMMERCE

A successful student of the full time programme will be awarded the Ordinary Diploma in Commerce.

ORDINARY DIPLOMA IN COMMERCE
INTRODUCTION TO PROGRAMME

First year:

The approach is developmental. From the inception the students is made aware of the importance of economic literacy and its connections to vocational competency in the many allied areas of business students: the organization, its structure, system, etc., the tasks and responsibilities of management, the dimensions of work, working and worker achieving, the aesthetic value of figures, etc. as the profile of the graduate student is to emphasise his knowledge, versatility and attitude to administration, he is immediately exposed to class room lectures and on-the-job experience in an effort to strengthen his understanding in areas of responsibility for general administration, the use of accounts and an appreciation for a proper communication system.

In the second term, studies in the various subject area become more detailed and students are led to research in some depth through library studies. Project work and case studies are introduced, thus encouraging students to relate, connect and unify the varied subject areas. Practice work is intensified within practice time schedules.

The final term is devoted to completion of the first syllabus. Conference and seminar sessions, where personnel from state owned organisations, co-operative societies and business concerns,

are time-tabled in advance to do lectures, panel discussions, etc. for economic reality towards a free enterprise economic system in Guyana and globalization.

Second Year

The aim in the first term is to go in-debt in the repeat subjects of the first year. At this point, too, students are given knowledge and practice in public financing, commercial and government accounting, etc. The application of Statistics, Marketing and Economic concepts and principles are given in real-life situations. Report writing is treated in detail and meaningfully. The fundamental problem of communication – agreement on terms needed – difficulty of conveying emotions: conference techniques, etc., is more detailed. Commercial Law and Industrial Relations, subjects of which some reference was often made in the first year of management study are now given greater importance.

The second and third terms are devoted to the application of the students previous knowledge of economic study to the concomitant subjects like Management, Statistics, Accounts, etc. in an effort to improving and co-ordinating the knowledge, skill and techniques of the various subjects areas, whenever possible. More hours are spent on problem-solving and decision-making exercise, through the use of case study, role play, brain storming, with the aim of developing responsible attitudes towards the smooth running of an organization which would demand the ability to co-ordinate tasks and also to allow consultative roles and employee participation as measures of greater efficiency. Of paramount importance too, is the guidance given to students to understand the general psychological principles that are applied to work situations growing out of fear, jealousy, temper, shyness of super-sensitivity, to criticism. Guidance on how to find, how to apply for, and how to make progress on a job is given in the final term.

NEW AMSTERDAM TECHNICAL INSTITUTE – NEW AMSTERDAM
DEPARTMENT OF BUSINESS EDUCATION
ORDINARY DIPLOMA IN COMMERCE

TWO YEAR PROGRAMME – FULL/PART TIME

GENERAL OUTLINE

FULL TIME:

FIRST YEAR ODC 1

SUBJECT (8)

LECTURE HOURS PER WEEK

a) English Language and Communication	6 hrs
b) Economics 1	3 hrs
c) Accounts 1	3 hrs
d) Statistics 1	3 hrs
e) Management 1	3 hrs
f) Business Mathematics	6 hrs
g) Computer Studies	1 ½ hrs
TOTAL	<u>27 hrs</u>

SECOND YEAR ODC 2

SUBJECT (9)

LECTURE HOURS PER WEEK

a) Industrial Relations	3 hrs
b) Economics 11	4 ½ hrs
c) Accounts	4 ½ hrs
d) Statistics 11	3 hrs
e) Management 11	3 hrs
f) Marketing and Advertising	3 hrs
g) Commercial Law	4 ½ hrs
TOTAL	<u>25 ½ hrs</u>

ENGLISH LANGUAGE

Aims and objectives

The English Language programme is aimed at helping students to develop proficiency in writing effectively, accurately, clearly and concisely. It is the means by which the students will learn to obtain information and create ideas for their writing as well as to prepare accurate and clear drafts of their technical material thereby meeting the needs for communication skills.

COURSE OUTLINE

First Year

UNIT 1: Functional Grammar

- Nouns and pronouns (kinds – inflection; pronoun antecedent agreement)
- Adjectives (kinds – inflection)
- Verbs
- Adverbs
- Prepositions
- Conjunctions
- Word Meanings (words with multiple meanings) – Synonyms, Homophones
- Syntax – avoiding the wrong use of the various parts of speech
- The noun, adjective and adverb sentence clausal analysis
- The paragraph – essential qualities of the paragraph (coherence, unity emphasis- CUE)
- Use of dictionary and thesaurus
- The essay (composition) planning –
 - (i) Introduction
 - (ii) Development
 - (iii) Conclusion

UNIT 2 Grammatical Discipline

- Punctuation
- Word Functions (inflection: using the various types of speech correctly)
- Spelling and word building (Latin and Greek prefixes and roots)
- Syntax and usage
- Developing new form of expression
- Word building - Sentences construction and usage (simple, compound, complex)

UNIT 3: Grammatical structures

- Exercises in grammatical structures: verb tenses; verb parts, prepositions; phrases.
- Exercises in punctuation
- Sentences: structuring, combining, sentence fragments
- Vocabulary exercises

UNIT 4 Compositions

- Argumentative
- Expository

Second Year

UNIT 1: Essay Writing

- Short communication in Industry, Business and Government
- Business Letters
- Forms of Business Writing
 - (i) Memorandums
 - (ii) Memorandum reports
- Learning activities involved – reading, writing, listening, speaking

UNIT 2: Written Work

- Letter Writing
 - (i) Business Letters (originating and continuing correspondence)
 - (ii) Letters requesting information
 - (iii) Letter of invitation
 - (iv) Letters placing orders
 - (v) Letters of acknowledgement
 - (vi) Letters of application
 - (vii) Letters making reservations and enquiries

UNIT 3: Reports

- Types of Reports - Formats, Conventions, Suggestions
- Language of simple reports
- Flexible report plans
- Formal parts of a report
- Conclusions
- Recommendations
- Technical report writing

UNIT 4: Summary Writing

- Writing summary
- Reported speech
- Written messages
- Writing of minutes

UNIT 5: Oral Work

- Conversations
- Brief talks on subjects of interest
- Debates (Arguments for or against particular topics)
- Telephone conversations
- Issues in the news
- Book reports

READINGS

1. Chives, J.: English for Business – A Functional Approach
2. Gardside, L.: English for Business Studies
3. Oxford School Dictionary
4. Oxford School Thesaurus
5. Narainsingh, Roy: A Comprehensive English Course

ECONOMICS

The course is aimed at providing a conceptual foundation in traditional and modern economic theory and practices. It also attempts to enable the student to approach a fair degree of analysis of enterprises and the economy from both a traditional and contemporary point of view.

CONTENT:

YEAR 1

UNIT 1

Central Problem of Economics

- Meaning of Scarcity
- Choice – what, how, and for whom to produce
- Factors of Production
- Production Possibility Curves (Use of PPC to show growth, technological change and opportunity costs)
- Efficiency and its limitations
- Pareto Efficiency Criteria
- Costs: private, external and social
- Meaning of market as a medium for exchange and the satisfaction of wants
- Market failure
- Alternative methods of allocation; market planning, rationing and mixed economies
- Market feedback in form of process
- Price ceilings and price floors

UNIT 2

Division of Labour

- Adam Smith's theory of Division of Labour
- Advantages and disadvantages
- Limitations of the market

UNIT 3

Location of Industry

- Reasons (Factors)
- Effects of location of an industry of changes in industrial structure
- Advantages and disadvantages

UNIT 4

Population

- Malthus theory of population
- Occupational and geographical distribution of population
- Size, age, sex of population and consequences of those changes e.g. over population, optimum population etc.

- Over and under employment

UNIT 5 Theory of Consumer Demand

- Utility – total, marginal, ordinal (indifference curve approach), cardinal (marginalist approach) and their importance in the derivation of individual demand curves.
- The nature of goods: normal, inferior, Griffen and ostentatious goods
- Main assumptions and limitations of Marginal Utility Theory
- The Budget Constraint
- Indifference Curves
- The effect of price changes upon consumer demand
- Income and substitution effects of price change – the Slutsky approach.
- Effective demand
- Shifts versus non movements along demand curves.
- Demand as a function of price, income and cross price elasticity
- Consumer surplus
- Elasticity of demand or determinant of price income and cross price elasticity
- The implications of elasticity for total spending

UNIT 6 Theory of Supply

- Production and its stages
- Factors of production: land, labour, capital and entrepreneurship
- Supply curves and producers-surplus
- Movements along and shifts in supply
- Elasticity of supply
- Supply as a function of costs
- The shape pf the average total cost curves
- Fixed cost, total cost, average cost, marginal cost, sunk cost, variable cost
- Shape of the long run average and total cost curves
- Shape of the long run supply curve
- Long run and economies of scale; short run and diminishing returns
- Factors determining economies of scale
- Internal and external economies of scale
- Productive optimum

UNIT 7 Market Structure

- Characteristics of the different types of market structures
 - Perfect competition, monopoly, monopolistic competition, oligopoly
- Examples of close approximations of such markers
- Barriers to entry – types of barriers which exist within the region

- Equilibrium of the firm and the industry under the different market structures in the short and long run
- Effects of taxation and subsidies on equilibrium
- Concepts of normal profit, abnormal profit, and profit maximization
- Comparisons of different market structures
- Price discrimination
- Critique of marginalist approach to pricing and output decisions

UNIT 8 Market Failure

- Meaning of market failure and the concept of economic efficiency
- Causes of market failure
 - Monopoly
 - Public goods and merit goods
 - Externalities (positive and negative)
 - Divergence between social and private costs and benefits
 - Imperfect information
 - Adverse selection or moral hazard
- State's response to market failure
 - Taxation
 - Subsidies
 - Regulations and anti-trust policy
 - Legislation
 - State ownership
 - Privatization and deregulation
 - Limitations of government intervention

UNIT 9 Theory of Income Distribution

- Marginal productivity theory and its limitations.
- Application of marginal productivity theory to the following factors of production: land, labour, capital and entrepreneurship (rent, wages, interest, profit).
- Application of indifference curve analysis to labour supply: labour force participation rates.
- Potential labour force.
- Labour force; Labour force participation rates male and female.
- Migration.
- Income distribution
 - Functional distribution of income
 - Measurement of inequality
 - Lorenz curve and Gini coefficient

- Measures to reduce inequality – taxes, subsidies, transfers.
- Poverty alleviation
 - Absolute versus relative poverty
 - Measurement of poverty (a) basic needs, (b) poverty line, (c) UNDP's Human Development Index
 - Examples of poverty alleviation measures.

YEAR 2

UNIT 1 Introduction of Macroeconomics

- Differences between microeconomics and macroeconomics.
- The major macroeconomic variables
 - Inflation
 - Interest rates
 - Exchange rates
 - Unemployment
 - Economic growth
 - Balance of payments
 - Fiscal deficits
- The major macroeconomic issues
 - Keynesian and Monetarist views on the major macroeconomic issues

UNIT 2 Circular Flow of Income

- The calculation of GDP, GNP and other measures using the output, income and expenditure approaches.
- Avoidance of double counting allowances for the depreciation and the differences between market price and factor cost.
- Differences between real and nominal GDP.
- The use of National Income statistics to measure economic performance over time and to make inter counter comparisons.
- Limits of the national Income Accounts.

UNIT 3 Unemployment

- Business cycle
- Types and causes of unemployment
- Cost of unemployment
- Solutions of unemployment

- UNIT 4 Inflation**
- Types and causes of inflation
 - Theories and cost of inflation
 - Inflation problems
- UNIT 5 Consumption Function**
- Notion of consumption function
 - Consumption function, autonomous and induced spending
 - Calculation of multiplier (closed and open economy)
 - Basic Keynesian consumption function
 - Relationship between consumption and saving
 - Relationship between consumption spending and economic activity in small open economies
- UNIT 6 Aggregate Demand and Supply**
- Graphical representation of the Y/E relationship
 - Nature of Keynesian aggregate supply curve
 - Equality between income and expenditure
- UNIT 7 Money and Banking**
- Nature of money and its functions
 - Quantity theory of money – relationship between money supplied and inflation
 - Motive for holding money – transactions, precautionary, speculative
 - Relationship between real income and money demanded; interest rates and money demanded
 - Money supply (M1 and M2)
 - Role of central bank
 - Instruments of monetary controls (open market operations, discount rates, financing of fiscal deficit, setting the reserve requirements, moral suasion)
- UNIT 8 Monetary Policy**
- Monetary policy (definition, unemployment, inflation, balance of payment)
 - Monetary aggregates
 - Controlling money supplied and interest rate
 - Effects of interest rates and money supplied on national income
 - Lags in monetary policy
 - Potency of monetary policy

UNIT 9

Fiscal Policy

- Fiscal policy and its effectiveness.
- The budget – taxation revenue expenditure and transfers.
- Budget surplus balanced budget and balanced budget multiplier.
- The budget deficit – alternative financing mechanisms.
- Fiscal policy and aggregate demand; unemployment; inflation; balance of payments.
- Lags and fiscal policy.
- Automatic stabilizers and discretionary policies.

UNIT 10

The National Debt.

- The burden of the debt.
- Managing the national debt.
- Calculation of the debt service ratio

UNIT 11

Growth and Development

- Determinants of economic growth: capital accumulation, human capital, technical change.
- Endogenous growth.
- The objectives of growth.
- The costs of growth.
- Measurement problems, that is, problems of comparing economic growth rates over time and between countries.
- The difference between growth and development.
- Indicators of development: per capita income; literacy rate; mortality rates; demographic indicators.
- The concept of human development.
- Constraints on economic development.
- Characteristics of developing economies: economic structure; income distribution; population growth; dependence.
- Structural characteristics of Caribbean economies: small size, openness; composition of exports; resource base; poverty; economic dependence (dependence on aid, preferential trade arrangements and foreign investment).
- Millennium development growth (types)

UNIT 12

International Trade

- The role of exports and imports.
- The factors which determine export revenue
 - o International price
 - o Domestic production

- Domestic prices and exchange rate
- International economic activity
- Shifts in international demand
- Changes in international income.
- The gains from trade.
- The theory of comparative advantage.
- Arguments for protection; trade liberalization.
- Methods of protection; tariffs quotas and other non-tariffs quotas and other non-tariff measures.
- The terms of trade
- Globalization
- Trade liberation

UNIT 13 Balance of Payments

- Definition of the Balance of Payments.
- The Balance of Payments Account.
- The causes and consequences of balance of payments crises.
- Policy responses to balance of payment crises.

UNIT 14 Exchange Rates

- Definition of exchange rates.
- Determination of exchange rates.
- Fixed and floating exchange rate systems (free floating and managed float).
- The effects of exchange rates.

READINGS

1. First Principles of Economics – Richard Lipsey; Colin Harbury
2. Success in Economics – Chris Nuttall; Derek Loble
3. Introductory Economics – G.S. Stanlake
4. Principles of Economics – Lipsey and Christal
5. A Text Book of Economics – A. H. Hanson
6. Success in Economics – Derek Loble
7. Comprehensive Studies for Caribbean Studies – Edward Bahaw
8. Economics – Colin Bamford, Narissa Mohamed

PRINCIPLES OF ACCOUNTS

The aim of the course is to provide students with an acceptable level of vocational competence, as well as a foundation for further studies in the subject area thus enabling students to prepare financial statements for the various types of businesses with special emphasis on government accounting procedures. The course will further test students' understanding of the basic principles underlying the recording of business transactions, including the influence of information technology.

FIRST YEAR

CONTENT

UNIT 1: Introduction to Accounting

- Purpose of Accounting
 - o Discussion of Accounting as a business practice
 - o Purpose of accounting
- Definition of Accounting
- Forms of Business Organizations
 - o Sole trader
 - o Partnership
 - o Manufacturers
- Classifications of Accounts
 - o Nominal
 - o Real
 - o Personal
- Preparation of Simple Balance Sheet
 - o Definition of a balance sheet and identification of the various components (assets, liabilities, capital).
 - o Construction of simple balance sheet in basic format (sole trader)
 - o Use and interpretation of balance sheet equation
 - o Liquidity and its significance
 - o Identification of types of assets and liabilities in order of liquidity and permanency.

UNIT 2: Books of Original Entry

- The Journal
 - o Uses; recording and posting to Sales Ledger, Purchases Ledger and General Ledger.
- Cash Transactions

- Distinction between cash and credit transactions
- Distinction between cash and trade discounts transactions
- Two Column Cash Book
- Three Column Cash Book
- The General Journal
 - Format and uses

UNIT 3: Control Systems I

- Petty Cash and Impress Systems
- Cash and Bank Reconciliation Statements

UNIT 4: Control Systems II

- Sources of information for preparation of control accounts
- Purpose of control system
- Principles of Control Accounts
- Preparation of Sales Ledger Control Accounts
- Preparation of Purchases Ledger Control Accounts

UNIT 5: The Ledger

- Uses of Trial Balance
- Balance and close off all classes of accounts
- Extraction of Trail balance from ledger accounts
- Preparing simple final statements of trading accounts
(Trading account; profit and loss account; balance sheet – horizontal and vertical formats of sole traders)

UNIT 6: Control Systems III

- Errors affecting the Trial Balance
- Errors including Suspense Accounts

Year II

- UNIT 1: Year End Adjustments
- Fixed Assets and Depreciation
 - Straight line method; reducing balance method
 - Bad Debts and Provision for Bad Debts
 - Definition of bad debts
 - Creation of a Provision of Bad Debts
 - Increase and Decrease in Provision for Bad Debts
- UNIT 2: Partnership Final Accounting
- Profit and Loss Appropriation Account
 - Partners' Current Account
 - Partnership Balance Sheet
- UNIT 3: Manufacturer's Final Accounts
- Identification and definition of various cost elements
 - Preparation of Manufacturing account
 - Preparation of Trading and Profit and Loss Accounts
 - Preparation of Balance Sheet
- UNIT 4: Single entry/Incomplete Records
- Limitations of Single Entry Accounting
 - Statement of Affairs
 - Use of Control Accounts to find missing figures
 - Trading and Profit and Loss Accounts
 - Preparation of Balance Sheet
- UNIT 5: Accounting for non-trading organization
- Definition of terms
 - Receipts and payment Accounts
 - Subscription Accounts
 - Income and Expenditure Accounts
 - Balance Sheet
- UNIT 6: Stock Valuation
- Methods of valuing closing stock (FIFO; LIFO; AVCO)
 - Importance of stock valuation and its effects on Trading Account

- UNIT 7:** Analysis and interpretation of Final Statements using Ratio Analysis
- Profitability Ratios (Return on capital employed – ROCE; gross profit margin; net profit margin; profit of sales ratio)
 - Liquidity ratio (Current ratio; acid test ratio)
 - Efficiency ratio (stock turnover rate; debtors turnover period; creditors turnover period)

- UNIT 7:** Conversion of manual system to computerized systems
- Transaction flow
 - Budgeting process – annual budget; monthly releases; agency financial budget
 - Payment process – differences between manual and computerized process (salary and vote account section; examination section; payments and receipts section; manual versus computerized process; advantages of the new central cheque printing and issuing system)
 - Payroll process – advantages of new payroll system
 - Revenue process – advantages of new revenue processing
 - System security – system access; functional access; user group access; data backup
 - Single main bank account (consolidated fund) – use of single bank account instead of multiple accounts
 - Charts of Accounts – groupings and the various levels of detail required

READING

1. Camorell, Cecelia (2005): Principles of Accounts for the Caribbean – 2nd Edition Macmillan Education Ltd
2. Charmain, Calle & Ramlochan, David (2003): Principles of Accounts – Caribbean Education Publishers
3. Wood, Frank: Accounting for the Caribbean – Revised Editions
4. Wood, Frank & Sangester, Alan (2002): Business Accounting 1 – 9th edition, Prentice Hall
5. Wood, Frank & Sangester, Alan (2002): Business Accounting 2 – 9th edition, Prentice Hall

PRINCIPLES OF MANAGEMENT

Course Description:

This course introduces students to the general principles of management which can be applied to large and small organizations both profit and non-profit seeking. The various approaches to the study of management will be covered, but emphasis will be placed on the process of management, incorporating the functions of the manager such as planning, organizing, staffing, influencing and controlling. The linking process of communicating and decision making will be covered in such a way as to lead to better performance within the organizational problems and to facilitate communication and decision making skills.

Year One

UNIT 1 Nature of Management

- Definition of Management
- Functions of Management
- Managerial Skills
- Managerial Roles
- Levels of Management
- Management Efficiency; Effectiveness; Resources

UNIT 2 Approaches to Managing

- Classical
- Behavioural
- Management science
- Contingency
- Systems

UNIT 3 Organizational Objectives

- Definition of Organizational Objectives
- Importance of Organizational Objectives
- Types of Organizational Objectives
- Establishing Organizational Objectives
- Guidelines for Establishing Quality Objectives
- Management by Objectives
 - o Definition
 - o Steps in MBO
 - o Advantages and Disadvantages of MBO

UNIT 4 Social responsibility

- Definition of Social Responsibility
- Approaches to meeting social responsibility

- Business Ethics
- Code of Ethics
- Creating an Ethical Workplace

UNIT 5 **Planning**

- Definition
- Purpose of planning
- Nature of planning
- Types pf plans
- Steps in the planning process
- Approaches to planning
- Advantages and disadvantages of planning

UNIT 6 **Strategic Planning**

- Definition of Strategic Planning; Strategy; Strategy Management
- Steps in the strategy management process
- Environmental Analysis (general, task and operating)
- Establishing organizational Objectives
- Strategy Formulation
- Strategic Control

UNIT 7 **Decision Making**

- Definition of Decision making
- Types of decisions-programmed and non-programmed
- Conditions under which decisions are made (certainty, uncertainty & risk)
- Group Decision Making- Ads and Dis ads
- Steps in rational decision making
- Elements of decision making
- Decision Making Tools

UNIT 8 **Organizing**

- Definition of Organization
- Importance of Organization
- Organizing Process
- Organizing Decisions
- Organizational Structures
- Line and Staff relationship
- Authority and Responsibility
- Delegation
- Span of Management

- Chain of command/Scalar Relationships
- Job Design

UNIT 9 **Human Resource Planning**

- Defining Appropriate Human Resources
- Steps in providing appropriate human resources
 - o Recruitment
 - o Selection
 - o Training
 - o Performance Appraisal

YEAR II

UNIT 1 **Influencing**

- Fundamentals of Influencing
- Communication
- Leadership
- Motivation
- Groups, teams and corporate cultures
- Understanding People: Attitudes, Perception and Learning

UNIT 2 **Controlling and Power**

- Definition of Controlling
- Steps in the Controlling Process
- Types of Controlling
- Potential Barriers to Successful Controlling
- Making Controlling Successful
- Importance of controlling
- Control Tools
- Break Even Analysis,
- Managing by exception
- Ratio Analysis
- Human Asset Accounting
- Use of control tools
- Definition of power
- Types of power
- Total power of a manager
- Steps for increasing total power

UNIT 3 **Management of Change**

- Definition of Changing Organization
- Forces for Change
- Types of Changes
- Resistance to Change

- Reducing Resistance to Change
- Evaluating Change

UNIT 4 Information and Management Information System

- Definition
- Essentials of information
- Factors that influence the value of information
- Management information systems
- Operating MIS
- Establishing MIS
- Use of Computers

UNIT 5 Stress Management

- Definition of stress
- Causes of stress
- Effects of stress
- Importance stress in the organization
- Managing stress in the organization

UNIT 6 Conflict Resolutions and Management

- Definition of Conflict
- Negative and Positive sides of conflict
- Two- Dimensional model of reducing conflict
- Structural methods of reducing conflict
- Line-staff conflict
- Role Conflict (Types of role conflict)
- Basic approaches to bargaining

UNIT 7 Total Quality Management

- Definition of Total Quality Management
- The Importance of Quality
- Achieving Quality
- Reengineering Improvements
- Encouraging Creativity in Organization Members

READINGS

1. Modern Management - Samuel Certo
2. Management – Griffin
3. Essentials of Management – C. O Donnell & H Koontz
4. Management: A systems and contingency analysis of managerial functions

PRINCIPLES OF AUDITING

This course is designed to sensitize students of business about the use of auditing as a discipline in economic activity, as well as in government agencies and departments. It attempts to show how auditing can be used as an independent source to satisfy the various stakeholders in making financial decisions using audited financial statements.

CONTENT

UNIT 1 Historical Background of Auditing

- Background and history
- Definition
- Who is an auditor
- Difference between auditing and accounting
- Qualifications of an Auditor

UNIT 2 Types of Audits

- Statutory, private, management and internal audits
- Difference auditing central government enterprises and commercial enterprises

UNIT 3 Main purpose of an audit, and how they are achieved

UNIT 4 Steps and stages in the conduct of an audit

UNIT 5 Letters of engagement

- Purposes, contents and features
- Characteristics and use prior to and during the course of an audit

UNIT 6 The Audit Report

- Contents, features and purposes
- Audit opinion and management letter

UNIT 7 Audit Working Papers

- Purposes, preparation and content
- The current file and permanent file
- Elements of the current and permanent file

UNIT 8 Internal Control

- Characteristics, definition and qualities
- Use of internal control as a management tool

- Internal control questionnaire

UNIT 9 Auditing Testing

- Types and purpose
- Audit evidence

UNIT 10 Audit Sampling

- Types, definition and uses
- Features and content

UNIT 11 The Audit Programme

- Definition and contents
- Uses of an audit programme
- Elements of an audit programme

UNIT 12 The Auditor General

- Appointment and functions
- Powers and duties
- Constitutional provisions and reporting relationship
- Legislation and control

READINGS

1. Auditing – A. H. Millichamp
2. Audit Manual – Grant Thornton
3. Students Manual of Auditing – V. Cooper
4. Auditing Principles and Practice – Frank Wood
5. Selected Annual Reports of Private/Public Companies
6. Financial Administration and Audit Act
7. New Audit Act (Revised) – 2004

BUSINESS MATHEMATICS

This course seeks to provide students embarking on a course of study in Commerce with basic mathematical principles and concepts, which will be required during the course of study. It also attempts to develop the students' ability to make vigorous analysis in advance studies as well as in the world of work situation.

The objective of this course is to introduce students to a number of *mathematical concepts* which are commonly used by managers to solve business problems. This course will also provide students with the *mathematical skills* which are required to undertake other courses in the business

TERM I

UNIT 1 Basic Math/Basic Algebra

- Rules for Directed Numbers
- Use of Symbols and Substitution
 - o Addition
 - o Multiplication
 - o Division
 - o Removal of Brackets
- Factorization
 - o Finding Factors
 - o Product of two binomial expressions
 - o Factorizing by grouping
- Equations and In-equations
 - o Solving simple equations and in-equations
 - o Simultaneous equations (elimination method; substitution method; problem solving)
 - o Quadratic equations (formula method)

UNIT 2 Logarithms and Indices

- Express in terms of base₁₀
- Positive and negative characteristics
- Rules of logarithms
- Laws of indices

UNIT 3 Financial Mathematics

- Simple Interest
- Compound Interest
- Depreciation
- Ratio and Proportions
- Bank Loans
- Salaries (PAYE, NIS and other deductions)

- Hire Purchase
- Utility bills
- Commission
- Sales taxes (VAT)
- Discounts (cash; trade)

TERM 2

UNIT 4 Forecasting

- Time series analysis

UNIT 5 Matrices

- Fundamentals (addition, subtraction, scalar)
- Matrix Inversion
- To solve a system of linear equations (Simultaneous Equations)

UNIT 6 Linear Programming

- Introduction and graphical approach
- Simplex method for maximizing and minimizing

TERM 3

UNIT 7 Calculus

- Rules of differentiation
- Use of derivative in business

READINGS

1. Francis - Business Mathematics and Statistics - 4th Ed. (DP Publications, 1995).
2. Bancroft and O'Sullivan - Quantitative Methods for Accounting and Business Studies - 3rd Ed. (McGraw-Hill. 1993).
3. Chiang – Fundamental Methods of Mathematical Economics – 3rd Ed. (McGraw Hill/Irwin, 1984).
4. Curwin and Slater - Quantitative Methods for Business Decisions - 4th Ed. (Chapman Hall, 1996).
5. Hands – Introductory Mathematical Economics – 2nd Ed. (Oxford University Press, 2003).
6. Lucey - Quantitative Techniques - 6th Ed. (DP Publications, 2002).
7. Greer, Layne – Certificate in Mathematics

COMMERCIAL LAW (Managers and the Law)

This course is designed to provide basic understanding of the various sources of the law, and its administration. At the end of the programme, students are expected to have a working knowledge of the law as it relates to routine commercial transactions and contractual relations.

CONTENT:

UNIT 1

Introduction to Law

- Sources of law
- Common law and equity
- Statutory law
- Parliament and the Judiciary
- Interpretation of statute
- Court system and its structure
- Precedents

UNIT 2

Formation of Contract

- What is a contract
- Offer
- Acceptance
- Termination of an offer
- Agreement without Offer & Acceptance
- The Intention to Create Legal Relations
- The Nature of Consideration
- Executory, Executed & Past Consideration
- Sufficiency of Consideration
- Privity of Contract

Vitiating Factors:

- Contractual Capacity
- Mistake
- Frustration
- Misrepresentation
- Duress
- Undue Influence

Discharge of Contract:

- How a Contract Comes to an End
- Performance
- Agreement
- Breach of Contract

Remedies Available for Breach of Contract

- Damages
- Equitable Remedies

UNIT 3

AGENCY:

- The Creation of Agency

- The Duties of an Agent
- The Rights of an Agent
- The Authority of an Agent
- Liability of the Parties
- Agents Acting for Undisclosed Principals
- Termination of Agency
- Special Types of Agent

UNIT 4 CONTRACT FOR THE ‘SALE OF GOODS’:

- Types of Goods
- The Price
- Terms Implied by the Sale of Goods Act
- Time of Performance
- Seller's Title
- Description of the Goods
- Sale by Sample
- Satisfactory Quality & Fitness for Purpose
- Passing of Property & Risk
- Nemo Dat Quod Non Habet
- Delivery
- Acceptance & Rejection
- Remedies of the Parties,

UNIT 5 TORT:

- Tort & Other Wrongs
- Wrong & Damage Distinguished
- Remoteness of Damage
- Vicarious Liability
- Strict Liability
- Defences to an Action in Tort
- Contributory Negligence
- Remedies in Tort

Negligence:

- Negligence
- Duty of Care
- Breach of Duty of Care
- Res Ipsa Loquitur

UNIT 6 COMPANY LAW:

- The Company as a Legal Entity
- The Veil of Incorporation
- Companies & Partnerships

- A Company's Liability in Tort & Crime
- Public & Private Companies
- Holding & Subsidiary Companies

Formation of a Company:

- Promoters & Pre-Incorporation Contracts
- Registration Procedures
- Commencement of Business
- Company Contracts

Memorandum & Articles:- Incorporation Company Act Guyana, 1991.

- Purpose & Contents of the Incorporation
- The Company Name
- Registered Office Objects
- Articles of Association
- Alteration of the Articles

UNIT 7 EMPLOYMENT LAW

- Employer - employee - vicarious liability
- Independent contractors
- Contracts of service and contracts for services
- Continuous employment
- Rights and duties of the parties to a contract of employment
- Obligations of employers and employees via TESPA
- Grievance procedures

READINGS

1. Business Law – K.R. Abbott; N. Pendlebury
2. Company Law for Students – Smith and Keenan
3. Case Book on Company Law – J. R. Bisacre
4. Cases on the Law of Contract – Cheshire; Fifoot
5. Law of Contract – M. P. Furuston
6. Charlesworth Mercantile Law
7. Principles of Law of Contract – R. Stone

MARKETING AND ADVERTISING

Because of the stringent requirements for competitiveness at both the local and global levels, the need for knowledge on proper marketing techniques is a prerequisite for survival of business and

for economic growth. Students are expected to have general knowledge of marketing and one year prior knowledge and or experience within a business stream.

Unit 1: Introduction to Marketing

- What is marketing?
- Marketing and the exchange process
- Marketing philosophies (the production concept; the product concept; the selling concept; the marketing concept; the societal marketing concept)

Unit 2: Consumer Behaviour

- Buyer Characteristics (cultural; social; personal; psychological)
- Buyer Decision Processes
- Household Life Cycle
- Influence of reference group and groups

Unit 3: Marketing Management Process I

- Marketing Aggregation
- Marketing Segmentation
- Production Differentiation
- Market Targeting
- Market Positioning
- Marketing Mix
- Marketing Environment

Unit 4: Marketing Management Process II

- Marketing Information Systems
- Marketing Research

Unit 5: The Product Policy

- New Product Development
- The Product Life Cycle
- Designing Products:
 - o Levels of the Product
 - o Product Classification
 - o Branding Decisions
 - o Packaging and labelling

Unit 6: Distribution Channels

- Uses of Middlemen
- Distribution Channel Function
- Numbers Channel Levels
- Channel Dynamics (vertical and horizontal marketing systems)
- Physical Distribution Systems

Unit 7: Pricing Policy

- Setting the price
- Selecting Pricing Methods and the Final Price

- Initiating and Responding to Price Changes

Unit 8: Advertising and Communication I

- Promotion Mix
- Effective Communication and the Communication Process

Unit 9: Advertising and Communication II

- Advertising
- Sales Promotion
- Publicity

Unit 10: Marketing Audit and Marketing Programmes (6 hours)

- Strategic Planning
- Marketing Planning
- Marketing Control
- Marketing Audits

READINGS

- Kotler, Phillip Marketing Essentials/ Marketing Management, Pretence Hall 1984
Kotler, Phillip Marketing Management- Millennium Edition
McCarty, B. Basic Marketing, McGraw Hill 1996
Rosenburg, L. Marketing

Recommended

Journal of Marketing
Quarterly Review of Marketing
The Company and its Customers: A Marketing Model
Innovation and Marketing
Outlet Selection and Purchase
Corporate Growth through venture management

INDUSTRIAL RELATIONS

The area of study is designed to cover the major areas of the Industrial Relations Systems to give the students some awareness and provide understanding generally of the nature and process of the complex factors which are concerned with and determine the behavior of people in connection with their work. The study will be centered round the relations between workers and employers, Trade Unions and Employers Associations along with and the role of the State. Examination will reference to our legal and institutional framework will be taken into consideration.

CONTENT

UNIT 1

Introduction

- o Definition of Industrial Relations
- o Growth of Industrial relations (in Guyana; worldwide)
- o Perspectives of Industrial Relations (Marxist; Pluralist; Unitary; Dunlop's Analysis of Industrial Relations)

UNIT 2

Labour/Management Relations

- o Trade Unions and the Trade Union Movement (functions, types)
- o Responsibilities and Obligations of Management
- o Roles of Supervisors
- o Employees Associations (functions and responsibilities)
- o Shop Stewards (functions and responsibilities)
- o Worker's participation in decision making
- o New perspective in State/Labour/Management Relations
- o Role and functions of the Personnel Manager – Personnel Department

UNIT 3

Labour Laws

- o Trade Union Act (Chapter 98:03)
- o Labour Act
- o Trade Union Recognition Act
- o Factories Act
- o Health, Safety and Welfare Act
- o Attendant Regulations
 - Discrimination Act
 - Sexual Orientation Act
 - Other relevant Acts

UNIT 4

Collective Bargaining

- o Definition, functions, characteristics, goals
- o Essential conditions for collective bargaining
- o Actual bargaining – preparation and techniques

- o Agreements
 - Wages and conditions of agreement
 - Substantive and procedural
- o Wage criteria in collective bargaining
- o Administration of Agreement
- o Procedure of settlement of disputes
- o Unfair Labour Practices
- o Problems In Collective Bargaining – strikes, lock outs etc

UNIT 5 Termination of Employment

- o Terms and conditions of employment
- o Fair and Unfair Dismissal
- o Redundancy

UNIT 6 Employment Law

- * Elements of an Employment Contract
- o Employer - employee - vicarious liability
- o Independent contractors
- o Contracts of service and contracts for services
- o Continuous employment
- o Rights and duties of the parties to a contract of employment
- o Obligations of employers and employees via TESPA
- o Grievance procedures

UNIT 7 Role of the State

- o State Interventions in Collective Bargaining
- o Settling disputes
- o Ministry of Labour
- o Conciliation
- o Advisory committee
- o Commission of Enquiry
- o Arbitration
- o I.L.O Ratifications and application of conventions
- o Production and Productivity

Unit 8 Elements of a Contract

- o What is a contract
- o Offer
- o Acceptance
- o Termination of an offer
- o Agreement without Offer & Acceptance
- o The Intention to Create Legal Relations

READINGS

1. Industrial Relations and the wider society – Barret Rhodes, Beishan
2. Industrial Relations – Text and Case Studies – G.D. Green
3. A History of Trade Unionism in British Guiana – Ashton Chase

4. Industrial Relations – Ashton Chase
5. Industrial Relations and Practice – Michael Solomon
6. New Issues in Collective Bargaining – Robert Morris
7. Trade union in the Caribbean – Dr. Zin Henry
8. Trade Union Administration – Robert Morris

STATISTICS

The overall objective of this course is to provide students with the opportunity to develop a sound background and knowledge of the techniques used in generating, collecting, presenting, analyzing and interpreting data. More specifically, students completing this course should be able to:

- a. Apply statistical techniques to business studies where necessary
- b. Undertake higher studies at Tertiary levels
- c. Use statistical tools for scientific, decision making particularly in industry and commerce
- d. Conduct surveys and analyze data collected for decision making purposes

CONTENT

First Year

UNIT 1 Definition of Relevant Terms

- Statistics
- Population
- Sample
- Discrete data
- Continuous data
- Parameter

UNIT 2 Graphical Representation (Charts)

- Portionate Bar Charts
- Simple Bar Charts
- Chronological Bar Charts
- Pie Charts

UNIT 3 Frequency Distribution

- Histogram
- Frequency Polygon
- Frequency curves
- Ogive
- Raw data
- Arrays
- Rules for forming frequency distribution
- Class intervals; class limits; class boundaries; class widths; class mark

UNIT 4 Measures of Central Tendency (ungrouped and grouped data)

- Arithmetic mean

- o Frequency method
- o Deviation method
- o Coded method
- Median
- Mode

UNIT 5 **Measures of Dispersion**

- Standard deviation
- Coefficient of Skewness
- Variance
- Coefficient of Variance
- Mean Deviation
- Range
- Quartiles
 - o Interquartile range
 - o Semi interquartile range
- Deciles
- Percentiles
 - o $P_{10} - P_{90}$ Percentile Range

UNIT 6 **Introduction to Probability I**

- Introduction
- Permutations
- Combinations
- Independent and dependent probability
- Mutually exclusive events

UNIT 7 **Elementary Sampling Theory**

- Sampling theory
- Random samples
- Random numbers
- Sampling with and without replacement
- Sample distributions
- Sample proportions
- Finite population

YEAR II

UNIT 1 **Measures of Central Tendency (ungrouped and grouped data)**

- Arithmetic mean
- Geometric mean
- Harmonic mean
- Relationship among the means

UNIT 2 **Probability Distribution II**

- Binomial Probability Distribution
- Poisson Probability Distribution
- Normal Probability Distribution

UNIT 3 Expectations and Estimations

- Introduction
- Mathematical Expectations
- Point and interval estimation
- Confidence interval
- Estimate of population parameters
- Confidence interval estimates
- Estimation from small samples

UNIT 4 Hypothesis Testing

- Introduction
- Test procedure
- Population means
- Difference between two means
- Small samples (T-Test)
- Difference between two small samples proportion
- Difference between two proportions

UNIT 5 Regression Analyses

- Basic ideas of the term regression
- The Straight Line method
- Linear regression equation
- Predictions: standard error or prediction and confidence limits
- Scatter Diagram

UNIT 6 Correlation Analyses

- Introduction
- Correlation coefficient
- Interpretation of correlation coefficient
- Rank Correlation Coefficients

UNIT 7 Index Numbers

- Introduction
- Application of index numbers
- Price relatives
- Problems in computing index numbers
- Laspeyres Price & Quantity Index
- Paaches Price & Quality Index
- Fishers Ideal Price Index

READINGS

1. Schaumn Outline Series in Statistics – Lipschltg
2. Business Statistics – Daniel Terrell

3. Introductory Statistics – Weiss and Hasst Addison
4. Basic Statistical Concepts – Albert Bartz
5. Understanding Business Statistics – Hire and Rahailly
6. A Basic Course in Statistics – G. M. Clark and D. Cooks