STUDENTS ARE EXPECTED TO HAVE COMPLETED
There is no prerequisite for this course.

COMPETENCES AND SKILLS THAT WILL BE ACQUIRED AND LEARNING RESULTS.
The student will be able to:
- Understand the basic functional areas of the firm.
- Understand basic elements of the firm's competitive environment.
- Understand the importance of planning and use basic planning and control tools.
- Understand the importance of financing and investment decisions and use basic finance tools.
- Understand the differences among the main production management systems.
- Understand the scope of marketing and its importance for a firm’s success.

DESCRIPTION OF CONTENTS: PROGRAMME
PART I. INTRODUCTION

1. The current business environment
   1.1. Globalization
   1.2. Digitalization
   1.3. Diversity
   1.4. Sustainability

2. Corporate social responsibility
   2.1. Towards shareholders
   2.2. Towards clients
   2.3. Towards employees
   2.4. Towards lenders
   2.5. Environmental responsibility

   Readings:
   Madura (2010), Chapter 2.

PART II. FIRM STRATEGY

3. General strategy
   3.1. Industry analysis
   3.2. Internal analysis: resources and capabilities
   3.3. Business strategies
   3.4. Corporate strategies

   Readings:
   Dess and Lumpkin (2003), Chapters 3, 5 and 6.
   Mateos (2006), Chapters 5 and 6.

4. Marketing strategy
   4.1. Identifying the target market
   4.2. Positioning
   4.3. Consumer behavior

   Readings:
5. Production strategies
5.1. Production concepts
   - Break-even point and operational leverage
   - Productivity and costs
   - Economies of scale
   - Costs and benefits of inventories
   - Flexibility
5.2. Production strategies
   - Mass production
   - Flexible production
   - Just in time production

Readings:

PART III. FINANCIAL MANAGEMENT

6. Financial analysis
6.1. Accounting information: financial information in the balance sheet and income statement.
6.2. Economic and financial analysis of the firm
   - Accounting ratios
   - Economic and financial return.
   - Leverage: operational, financial and total.
   - Working capital
   - Production to invoice lead time

Readings:
Madura (2010), Chapter 15.
Maynar, Bañegil and Galera (2007), Chapter 5.

7. Financing
7.1. Debt financing
7.2. Equity financing
7.3. Capital structure

Readings:
Madura (2010), Chapter 16.

8. Investment decisions
8.1. Characterizing an investment project
8.2. Payback
8.3. The time value of money
8.4. Net present value and internal rate of return

Readings:
Madura (2010), Chapter 17.

PART IV. ORGANIZATION AND HUMAN RESOURCE MANAGEMENT

9. Organizational structure
9.1. Elements of structure
   - Chain of command
   - Scope of control
   - Line and staff
9.2. Horizontal and vertical coordination
9.3. Departmentation criteria
9.4. Types of structures
   - Functional
   - Multidivisional
   - Matrix
   - Horizontal
   - Modular

Readings:
10. Human resource management
   10.1. Internal labor markets
   10.2. High performance work practices
   10.3. Externalization
   10.4. The role of the legal framework

PART V. PRODUCTION MANAGEMENT

11. Production decisions
   11.1. Location
   11.2. Capacity
   11.3. Plant layout

Readings:

12. Production control
   12.1. Productivity control
   12.2. Quality control
   12.3. Inventory control

Readings:
Maynar, Bañegil and Galera (2007), Chapter 8.

PART VI. MARKETING DECISIONS

13. Product and price
   13.1. Product attributes
   13.2. Price setting

Readings:
Madura (2010), Chapter 12.

14. Product distribution and promotion
   14.1. Distribution
       - Distribution channels: direct, one level, several levels
       - Market coverage: intensive, selective and exclusive distribution
       - Characteristics of retailers
       - Services of wholesalers
   14.2. Promotion
       - Advertising
       - Personal sale
       - Sales promotion
       - Social networks

Readings:
Madura (2010), Chapters 13 and 14.

LEARNING ACTIVITIES AND METHODOLOGY

Every week there will be a theory session (in a large group) and a practical session (in a small group). Students must study the contents of each theory session after the session takes place. Exercises and cases must be solved before the corresponding practical sessions. Practical sessions will be devoted to discuss and provide solutions to the exercises that students will have previously worked at. There will also be weekly office hours which will be scheduled by each professor at the beginning of the term.

ASSESSMENT SYSTEM

The final grade will be the weighted sum of two partial exams (each counting 25%) and a final exam (worth 50%).
In order to compute the weighted average of all marks, the student must obtain at least 4 points in the final exam. Otherwise, the student will not pass the course.

If the percentage of students with an overall grade of Sobresaliente is less than 10 percent of the students who have taken the final exam in the Degree, the top students with a Notable grade will be given a grade of 9 until the 10-percent level is reached. After this correction is made, if the number of students with a Notable grade is below 10 percent, an analogous correction will be made, raising the grades of the top students with an Aprobado grade to 7. An analogous correction will be applied, if needed, to ensure that at least 15 percent of students have an Aprobado grade.

% end-of-term-examination: 50
% of continuous assessment (assignments, laboratory, practicals...): 50

BASIC BIBLIOGRAPHY
- Madura, Jeff Introduction to Business, Paradigm Publishing, 2010
- Maynar, Pilar; Bañegil, Tomás; Galera, Clementina La economía de la empresa en el espacio de educación superior, McGraw-Hill, 2007

ADDITIONAL BIBLIOGRAPHY
- Mateos, Petra (ed.) Dirección y objetivos de la empresa actual, Editorial Centro de Estudios Ramón Areces, 2006