## MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE

# National Aviation University Faculty of Economics and Business Administration

Management of Foreign Economic Activity of Enterprises Department

**APPROVED Acting Rector** 

2018 **>>** 



# Quality Management System

# **SYLLABUS**

# «Organization of Business»

"Management and Administration" 07 Field of study:

Speciality: "Management" 073

Specialization: « Management of Foreign Economic Activity»

Specialization: « Management of Organizations and Administration

(by types of economic activities)»

 $-2^{\rm nd}$ Semester – 3<sup>d</sup> Year of study

Examination  $-3^d$  semester Classroom Sessions - 51

Self-study - 69

Total (hours / ECTS credits) - 120/4.0

Term Paper - 3<sup>d</sup> semester

Index CB-6-073/16-2.3.3 Index CB-6-073/16-2.2.3



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The Syllabus on «Organization of Business» is based on the educational and professional program Bachelor Curriculum  $N_0$  CB-6-073/16 for Speciality 073 "Management", Specializations "Management of Foreign Economic Activity", "Management of Organization and Administration (by types of economic activities)" and correspondent normative documents.

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#### 1. EXPLANATORY NOTES

## 1.1. Subject status in the system of professional training

This course is a theoretical basis for a number of skills and knowledge, students acquire to become a specialist in the field of enterprise management.

#### 1.2. Target of the subject

The target of the subject is to form modern managerial thinking and the system of specific knowledge in the organization and business development, acquiring skills of analysis and planning of business activities in the market, rational decision-making in management of business.

## 1.3. Objectives to study the subject

Tasks of learning the educational discipline are the following:

- to master theoretical and practical knowledge of objective laws, conditions and processes of entrepreneurship;
  - to understand nature of legal regulation of business in today's economic transition;
  - to study contemporary forms of business organization and its information system;
  - to obtain knowledge about development and effective use of productive capacity of business entities;
  - to learn basics of economic regulation of business and making effective management decisions.

## 1.4. Integrated requirements for knowledge and skills of the subject (educational module)

As a result of mastering the subject a student shall:

#### Know:

- organization of planning the production of economic subject;
- planning, organization and wages, cost of business entities;
- methods of making financial decisions and evaluating investment proposals.

#### **Learning outcomes:**

- to calculate main indexes of the economic activities of business;
- to determine costs of businesses;
- to calculate taxation parameters of business entities;
- to carry out analysis of economic activities of business;
- to use operational analysis in making financial decisions;
- to assess investment proposals;
- to use traffic management measures of financial resources and capital.

#### 1.5. Integrated requirements for learning outcomes in educational modules

Training material of the discipline is structured by modular principle and consists of two classic modules. The third separate module is a course work that is performed in the seventh semester.

1.5.1.As a result of learning educational material of training module №1 "Basics of entrepreneurial activity" a student must:

#### Know:

- legal principles of business activities;
- nature and utilization of fixed and working capital of business;
- methods of analysis and planning of major indicators of industrial-financial businesses.

#### **Learning outcomes:**

- to assess level and ways to improve resource efficiency of business;
- to determine costs of the company and to analyze the breakeven of business activity;
- to own tools of planning and analysis of the economic activities of businesses.
- 1.5.2. As a result of learning educational material of training module №2 "Managing resources of business" a student must:

#### Know:

- taxation of business entities;
- methods of economic analysis of the efficiency of investment resources of business;
- measures of flow control of financial resources and capital of enterprise.

## **Learning outcomes:**

- to calculate taxes for the particular business;
- to assess investment proposals;
- to use methods of management of financial resources and capital flow in business activity.
- 1.5.3. As a result of performing the course paper (module №3) a student must:

#### Know:

- theoretical basis for determining break-even of production activity in business;
- nature of economic and financial models of breakeven point of production activity;
- theoretical basis for determining optimal level of production and sales comparison method based on gross figures;



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- theoretical basis for determining optimal level of production and sales comparison method based on marginal figures;
  - theoretical foundations of the cost of material resources of business.

#### **Learning outcomes:**

- to determine break-even level of production businesses in physical and monetary terms;
- to determine optimal volume of production and sales by the method of comparing gross figures;
- to determine optimal volume of production and sales by the method of comparing marginal performance;
- to determine optimal amount of procurement of material resources of business.

Knowledge and skills the students obtain studying this subject will be used in the future to master subjects necessary for professional training of specialists with higher education.

## 1.6. Interdisciplinary links of the subject

In the academic discipline "Organization of business" there is a continuation of depth study of selected topics of subjects such as "Microeconomics", "Macroeconomics", "Logistics", "Marketing", "Foreign economic activity of the enterprise" and others.

Selected topics of course "Organization of business" will find further development in the disciplines of the specialty "Logistics services", "Investment and Innovation Management", "Controlling", "International Business".

#### 2. SUBJECT CONTENT

## 2.1. Module #1 "Basics of entrepreneurial activity".

## Topic 2.1.1. Economic essence of entrepreneurship.

Characteristics of external and internal factors forming business environment. Private and public sectors. Essence and concept of entrepreneurship. Fields and typology of entrepreneurial activity. Setting goals, objectives and policies of entrepreneurship. Strategy and tactics of business. Legal requirements to private enterprise. Property – economic basis of entrepreneurship. Property relations. The infrastructure of market. Types of markets. Factors of production. Main stages of social production. Alternative expenses. Functioning of businesses in market economy. Economic efficiency of enterprise activity.

## Topic 2.1.2. Legal basis of entrepreneurship.

Need for state regulation of business activity. Methods of state regulation of business activity. Principles of entrepreneurship. Legal restrictions on business activity. Legislation regulating business activity. Antitrust laws.

#### Topic 2.1.3. Organizational aspects of business.

Sources of business ideas. Expert search methods of entrepreneurial ideas. Types of business activities. Private entrepreneurs. Private enterprises. The main advantages and disadvantages of private enterprise. Partnership. The main advantages and disadvantages of partnerships. Franchise system. Joint-stock company. Essence and requirements for public and private companies. Development of companies. Business combinations and areas of growth in the association. The choice of legal form of business and organizational management structure.

Typical creation of businesses. Constituent documents and their preparation. Essence and main sections of the Memorandum. Authorized capital and order its formation. State registration. Licensing of business activities, the procedure for obtaining license. Patenting of entrepreneurial activity, procedure for obtaining patents. Termination of the enterprise and its liquidation.

#### Topic 2.1.4. Formation of venture capital.

Venture capital: nature and elements. Start-up capital as a prerequisite of business operation. Essence of capital and its embodied form. Economic and cell structure of business capital. Fixed and working capital cycle and methods of reimbursement.

Formation of the initial business capital. Options for formation of separate elements of capital. Scheme of calculation of the required size of business capital.

Sources of venture capital, funds accumulated during previous activities; personal savings in money and commodity forms; loan funds. Choice and justification acceptable and most effective ways for initial capital. Control of the efficiency of business capital using.

## Topic 2.1.5. Planning of operational activity of business entities.

Market research principles of planning, planning methods of operational activity. Classification and structure of plans for production and business of enterprises. Planning of production and sales of products based on production capacity. Optimal planning of production and sales of private enterprise.

## Topic 2.1.6. Marginal analysis of the company.

Determining optimal level of production by the methods of marginal analysis. Justification of administrative decisions regarding changes in production capacity, changes in production technologies using marginal analysis methods.



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Using comparison of marginal cost and marginal revenue of the enterprise in a market with different types of competition to optimize profits.

# Topic 2.1.7. Planning technological development and improvement of production efficiency of the enterprise.

The structure of plan for technological development and increasing efficiency of the company. Economic justification of action plan for technological development and increasing the efficiency of the company.

#### Topic 2.1.8. Planning personnel of the enterprise.

Planning productivity of personnel. Method of planning productivity growth through major technical and economic factors, improving technical level of production; improving management, production and labor; changes in volume and structure of production.

Structure of personnel. Planning total number of personnel, planning headcount categories of employees. Planning payroll personnel categories of employees. Social protection of staff based on a single social contribution.

## 2.2. Module №2 "Managing resources of business"

## Topic 2.2.1. Planning revenue, expenses and production costs of the company.

Formation, identification and planning of gross business income. Formation, identification and planning of total costs. Planning costs of the enterprise. Ways to reduce cost of the enterprise. Cost management. Price policy of the company.

#### Topic 2.2.2. Break-even analysis of the company.

Determining level of break-even volume production of the enterprise. Sensitivity analysis of critical relationships: changing input prices, changes in average variable costs, fixed costs change. Analysis of the impact of structural change: restructuring of sales volume, changes in the cost structure. Determining level of economic security.

## Topic 2.2.3. Tax system of the company.

The tax system, principle of its construction. Functions of tax system. Classification of taxes under the Tax Code of Ukraine. Direct and indirect taxes. General taxation of business entities. Features of the taxation of small businesses. Planning profit of business.

#### Topic 2.2.4. Investment policy of the company.

Characteristics of the investment company. Essence of active investment activity of the company. Legal regulation of investment business entities in Ukraine. Main forms of state regulation of investment activity. Tasks and functions of investment management in the enterprise.

Formation of investment. Factors affecting estimated investment of the firm. Classification of investments in business activities for individual features: real investments, nature of participation in investment, investment period, ownership of investment resources, regional basis. Equity, shareholders' and involved investment resources. Methods of financing individual investment programs and projects.

Essence of evaluation and forecasting of investment appeal of some primary links and integrated management. Investment attractiveness of industries and industry (milestones, metrics for evaluating the degree of attractiveness in Ukraine). Evaluation and forecasting of investment attractiveness of regions. Evaluation of investment attractiveness.

## Topic 2.2.5. Business plan of the company.

Business plan, its nature and purpose. Principles of business planning. Main sections of a business plan. Memorandum of confidentiality. The content of the summary. Description of business and industry. Description of products (services). Description of the process of production (services). Marketing and sales. Production plan. Organizational plan. Investment plan. Financial plan. Sensitivity analysis of the project. Risk assessment and insurance project.

#### **Topic 2.2.6. Evaluation of competitiveness.**

Essence and types of competition. Main functions of competition. Terms of competition. Methods of competition. Essence and types of economic risk. Methods for evaluation of economic risk. Ways to reduce economic risk. Competitiveness of production and ways of ensuring it. Competitiveness of businesses and ways to support.

## Topic 2.2.7. Ways to improve business efficiency.

Justification of effective methods and forms of business. Basic methods and forms of activation business. Accelerating process of privatization of enterprises (organizations). Improving system of entrepreneurs, adapting management systems to market requirements.

Enhancing innovation and investment activities and increasing competitiveness of the products (services) of the company. Management of innovations and investment firms manufacturing areas.

Optimization of the current cost and size of production. Concept of optimal current expenses of the company. Interconnection of profits, costs of production and volume of production. Factors of optimal costs. Justification optimal size of enterprise with mono-nomenclature production in terms of number of employees, volume commercial production, operating costs in the currency of commodity products.



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#### 2.3. Module №3 "Course Work".

Coursework (CW) on discipline is carried out in accordance with approved procedure of established guidelines, in order to consolidate and deepen the theoretical knowledge and skills acquired by the students in the learning disciplines in the field of resource management business.

Fulfillment of CW is an important step to prepare for the future thesis of the specialist in management.

Specific objective of the CW is in determining optimal level of production of a business entity on the basis of estimates break-even gross comparison methods and thresholds of income and expenditure, management costs of the resources of the business entity.

## 3. LIST OF REFERENCES

# 3.1. Basic literature

## Basic literature

- 3.1.1. 3ахарчин Г. М. Основи підприємництва: Навч. посіб./ МОН. Київ: Знання, <math>2008. 438 с.
- 3.1.2. *Кучеренко В.Р., Доброва Н.В., Квач Я.П., Осипова М.М.* Основи бізнесу. Практичний курс: Навч. посіб. К.: ЦУЛ, 2010.-176 с.
- 3.1.3. *Чоботар С.І., Фомішіна В.М., Мочерний С.В., Ларіна Я.С.* Основи бізнесу: Навч. посіб. К.: Академія, 2009. 384 с.

#### Additional literature

- 3.2.1. Голубева Т.М. Основы предпринимательской деятельности. М.: Форум, 2010. 272 с.
- 3.2.2. Донець Л.І., Романенко Н.Г. Основи підприємництва: Навч. посіб./ МОН. Київ: ЦНЛ, 2006. 317 с.
  - 3.2.3. Рубин Ю.Б. Курс профессионального предпринимательства. Ч.1. М.: Маркет ДС, 2010. 400 с.
  - 3.2.4. Рубин Ю.Б. Курс профессионального предпринимательства. Ч.2. М.: Маркет ДС, 2010. 416 с.
- 3.2.5. Рубин Ю.Б. Теория и практика предпринимательской конкуренции. М.: Маркет ДС, 2010. 608 с.



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(Ф 03.02-01)

АРКУШ ПОШИРЕННЯ ДОКУМЕНТА							
<b>№</b> прим.	Куди передано (підрозділ)	Дата видачі	Прізвище, ім'я та по батькові отримувача	Підпис отримувача	Примітки		

(Ф 03.02-02)

АРКУШ ОЗНАЙОМЛЕННЯ З ДОКУМЕНТОМ

THE WORLD SHOW WELL ON							
<b>№</b>	Прізвище, ім'я та по батькові	Підпис ознайомленої особи	Дата ознайомлення	Примітки			

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## АРКУШ РЕЄСТРАЦІЇ РЕВІЗІЇ

№ пор.	Прізвище ім'я по-батькові	Дата ревізії	Підпис	Висновок щодо адекватності

(Ф 03.02-03)

## АРКУШ ОБЛІКУ ЗМІН

Номер	Номер/сторінки (пункт)				Підпис особи, що внесла	Дата внесення	Дата введення
Помер	зміненого	заміненого	нового	анульованого	зміну	зміни	зміни

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## узгодження змін

	Підпис	Ініціали, прізвище	Посада	Дата
Розробник				
Узгоджено				
Узгоджено				
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