

**JAIPURIA INSTITUTE OF MANAGEMENT NOIDA**

**PGDM; TRIMESTER II; Academic Year: 2019-20**

**Course Outline**

|  |  |
| --- | --- |
| Course code and title | **ECO201: Business and Economic Environment** |
| Credits | 3 |
| Term and year | 2nd trimester, 2019-20 |
| Course requirement(s) | Regular reading of national and international current affairs of economic and business relevance |
| Course schedule (day & time of class) | As per time table |
| Classroom number and location | As per time table |
| Course instructor |  |
| Course instructor Email Id |  |
| Course instructor Phone (office) |  |
| Course instructor Office location |  |
| Student Consultation Hours |  |

**1. COURSE OVERVIEW**

In the previous course on Managerial Economics, students learnt how individuals and firms make decisions and interact with each other in the market. This course shall expose students to the external environment of a business and how various environmental and macroeconomic factors affect the business decision making. The course also aims to help students to comprehend the dynamics of various macroeconomic indicators that simultaneously act and give rise to a particular situation in an economy. The students after completing this course should be able to draw out the relationship across macroeconomic variables such as income, inflation, investment, money supply, etc. Specific macroeconomic problems like inflation, slow growth, exchange rate fluctuations, current account deficit, and business cycles will be discussed through this course both at conceptual level and with respect to the Indian economy. Policy interventions to address macroeconomic issues in India and their impact on business will also be discussed. This course has forward linkage with courses like Business Strategy, International Finance and International Business.

**2. COURSE LEARNING OUTCOMES (CLOS)**

At the end of the course, the students should be able to:

CLO 1: Describe the functioning of macro economy.

CLO 2: Examine the impact of monetary policy and fiscal policy changes on businesses and economy.

CLO 3: Explain the interface between domestic economy and rest of the world.

**3. CLO-PLO mapping**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | PLO1 | PLO2 | PLO3 | PLO4 | PLO5 | PLO6 | PLO7 | PLO8 |
| CLO1 |  |  |  |  | × |  |  | × |
| CLO2 |  |  | × |  | × |  |  |  |
| CLO3 |  |  | × |  | × |  |  |  |

**4. Mapping of CLOs with GAs**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | GA 1 | GA 2 | GA 3 | GA 4 | GA 5 | GA 6 | GA 7 | GA 8 |
| CLO 1 |  | × |  |  |  |  |  |  |
| CLO 2 | × | × |  |  |  |  |  |  |
| CLO 3 |  | × | × |  |  |  |  |  |
| CLO 4 |  | × | × |  |  | × |  |  |
| Count | 1 | 5 | 3 | -- | -- | 2 | - | - |

**Mapping of CLOs with Key Differentiators**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Key Differentiator 1Entrepreneurial Mind-set | Key Differentiator 2Critical Thinking | Key Differentiator 3Sustainability | Key Differentiator 4Team Player | **Count** |
| **CLO 1** |  | × |  |  | 1 |
| **CLO 2** |  | × |  |  | 1 |
| **CLO 3** |  | × |  |  | 1 |
| **CLO 4** | × | × |  |  | 2 |

**5. TEXT BOOK**

Handouts shall be provided to students.

**Additional Resources:**

1. Cherunilam, F. (2014). Business Environment: Text and Cases; New Delhi: Himalaya Publishing.

2. Global Economics, Robert J. Carbaugh, Cengage Learning, 13th Edition

3. International Economics: Theory and Practice, Paul R. Krugman, Pearson Pub.

4. Principals of Macroeconomics, 6th Edition, N. Gregory Mankiw, Thomson South Western, New Delhi.

5. Business Environment – Text & Cases, 3rd Edition, Justin Paul, McGraw-Hill Education (India), New Delhi.

**6. ASSESSMENT TASKS**

|  |  |  |  |
| --- | --- | --- | --- |
| **Assessment Task** | **Description** | **Weightage**  | **CLO**  |
| News Log and Presentation | It will be an individual task. Every student will prepare/maintain in hard copy a Log of News related to businesses, macro economy and economic environment in India published in Economic Times, Business Standard, etc. There must be at least 20 news items in the News Log. Student will have to add/document their own understanding and analysis of the news item. Students will also have to present verbally (without using PowerPoint or hand notes) one news item and its analysis for which each student will be given 5 minutes.Marks allocation: 10 marks for News Log and 10 marks for presentation. | 20 % | CLO1 |
| Assignment on Real Time Data Analysis | It will be a group task. Each group will be assigned a topic/theme and the group will be required to collect the relevant data from authentic sources, compile it, study the trend, prepare excel file, make a graph, report the periods of sharp fluctuations, identify the reasons for those fluctuations and attach the report. Each group will have to submit an excel file containing the data and graph as well as a text file containing the write-up and analysis.Marks allocation: 10 marks for data presentation and graph and 10 marks for the write-up. | 20 %  | CLO3 |
| Quiz | Quizzes will be conducted either on Moodle or in pen & paper mode. Questions may be MCQs, fill in the blank, short answer, etc. | 20% | CLO1: 10%CLO2: 10% |
| End-term examination | Hall/online examination based on full course | 40% | CLO1-10%,CLO2-20%CLO3-10% |

**7. SESSION PLAN**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Session** **No.** | **Topic** | **Reading/ References** | **Pedagogy** | **Session Learning Objective** | **CLO addressed** |
| 1 | Introduction[Course overview & assessment plan; economic systems, classification of economies, economic environment of business) | Handout | Class discussion | To familiarize students about various economic systems, economic classification of economies and economic environment of business | CLO1 |
| 2-3 | Circular flow of income, GDP and related aggregates in India | Handout | Class discussionWorksheet | To enable students describe working of macro-economy and describe GDP and related aggregates | CLO1 |
| 4-5 | Aggregate Expenditure and Aggregate Output | Handout | Class discussionWorksheet | To explain various components of aggregate expenditure and multiplier effect | CLO1 |
| 6-7 | Macroeconomic equilibrium[aggregate demand and aggregate supply analysis] | Handout | Class discussion | To explain implications of macroeconomic disequilibrium | CLO1 |
| 8 | News Analysis and Presentation (1-10) |  |  |  | CLO1 |
| 9 | Business Cycles | Handout | Class discussionCase study | To develop an understanding of different phases of business cycles and their implications for businesses | CLO1 |
| 10 | News Analysis and Presentation (11-20) |  |  |  | CLO1 |
| 11-12 | Inflation in India[measurement and causes, effects and control measures] | Handout | Class discussion | To enable students learn the factors fueling the inflation and efficacy of control mechanism | CLO1 |
| 13-14 | Monetary policy in India[Objectives, targets and tools] | Handout | Class discussionCase study | To examine monetary policy transmission mechanism in India and its business implications | CLO2 |
| 15 | News Analysis and Presentation (21-30) |  |  |  | CLO1 |
| 16 | Fiscal policy in India[Objectives and tools] | Handout | Class discussionCase study | To examine business implications of fiscal policy changes | CLO2 |
| 17 | Exchange rate determination | Handout | Class discussion | To explain determinants of exchange rate between INR and other key currencies | CLO3 |
| 18 | News Analysis and Presentation (31-40) |  |  |  | CLO1 |
| 19-20 | Balance of payments of India | Handout | Class discussionWorksheet | To explain implications of adverse/favorable balance of payments of India | CLO3 |
| 21 | News Analysis and Presentation (41-50) |  |  |  | CLO1 |
| 22 | Dynamics of crude oil prices and its implication for businesses and economy | Handout | Class discussion | To explain the factors of fluctuation in crude oil prices and their business implications | CLO3 |
| 23 | Foreign Investment in India[FDI and FPI] | Handout | Class discussionWorksheet | To explain pattern of FDI and FPI in India and its business implications | CLO3 |
| 24 | News Analysis and Presentation (51-60) |  |  |  | CLO1 |

**8. RUBRICS FOR ASSESSMENT**

**CLO 1: Describe the functioning of macro economy**

Assessment tasks: Quiz-1, News Log & Presentation, Mid-term Examination, End-term Examination

**Quiz-1**

|  |  |  |
| --- | --- | --- |
| Criterion | Performance level | Score |
| Poor(0-5 marks) | Average(5.1-9 marks) | Good(9.1-10 marks) |
| Clarity and understanding of the concepts related to functioning of macro economy | Most of the concepts are not clear and student is unable to understand the same. | Many concepts are clear and understood by the student | Most of the concepts are clear and understood by the student |  |

**News Log & Presentation**

|  |  |  |
| --- | --- | --- |
| Criterion | Performance level | Score |
| Poor(0.00-7.99 marks) | Average(8.00-13.99 marks) | Good(14.00-20.00 marks) |
| Relevance of news items to the course content(Weight: 20%) | News items have no/remote connect with the course | News items are indirectly but strongly connected with the course | News items have direct and strong relevance to the course |  |
| Analysis of news item(Weight: 50%) | News items are merely paraphrased without adequate analysis and explanation | Some analysis of the news items has been done and reasonable explanation is given | News items are analyzed for their relevance, probable causes and effects on business and economy; elaborate explanations given |  |
| Delivery of presentation(Weight: 30%) | Over usage of hand notes while making presentation; poor body language; ineffective communication | Low usage of hand notes while making presentation; acceptable body language; fair communication | No/minimal usage of hand notes while making presentation; positive body language; good and effective communication |  |
| Weighted score out of 20 |  |

**End-term exam**

|  |  |  |
| --- | --- | --- |
| Criterion | Performance level | Score |
| Poor(0.0-4.0 marks) | Average(4.1-7.0 marks) | Good(7.1-10.0 marks) |
| Ability to describe dynamics of macroeconomic equilibrium/ disequilibrium, features and business implications of different phases of business cycles, and business implications and control of inflation  | Students were unable to describe clearly the dynamics of macroeconomic equilibrium/ disequilibrium, features and business implications of different phases of business cycles, measurement, causes, business implications of inflation and its control measures | Students were able to describe to large extent the dynamics of macroeconomic equilibrium/ disequilibrium, features and business implications of different phases of business cycles, measurement, causes, business implications of inflation and its control measures | Students were able to describe flawlessly the dynamics of macroeconomic equilibrium/ disequilibrium, features and business implications of different phases of business cycles, measurement, causes, business implications of inflation and its control measures |  |

**CLO 2: Examine the impact of monetary policy and fiscal policy changes on businesses and economy**

Assessment tasks: Quiz-2, Assignment on Real Time Data Analysis, End-term Examination

**Quiz-2**

|  |  |  |
| --- | --- | --- |
| Criterion | Performance level | Score |
| Poor(0-5 marks) | Average(5.1-9 marks) | Good(9.1-10 marks) |
| Clarity and understanding of the concepts related to monetary and fiscal policy changes and their implications for businesses and economy | Most of the concepts are not clear and student is unable to understand the same. | Many concepts are clear and understood by the student | Most of the concepts are clear and understood by the student |  |

**End-term exam**

|  |  |  |
| --- | --- | --- |
| Criterion | Performance level | Score |
| Poor(0.00-8 points) | Average(8.1-14 points) | Good(14.1-20.00 points) |
| Exhibition of ability to examine the working of monetary policy tools and monetary policy transmission, working of fiscal policy tools, impact of monetary and fiscal policy changes on businesses, and complementarity between monetary and fiscal policy for best outcome for businesses and economy  | Students were unable to properly examine and explain the working of monetary policy tools and monetary policy transmission, working of fiscal policy measures, business implications of changes in monetary and fiscal policies, and necessity for monetary and fiscal policy coordination | Students were able to examine and explain to large extent the working of monetary policy tools and monetary policy transmission, working of fiscal policy measures, business implications of changes in monetary and fiscal policies, and necessity for monetary and fiscal policy coordination | Students were able to fully examine and explain the working of monetary policy tools and monetary policy transmission, working of fiscal policy measures, business implications of changes in monetary and fiscal policies, and necessity for monetary and fiscal policy coordination |  |

**CLO 3: Explain the interface between domestic economy and rest of the world**

**Real Time Data Analysis**

|  |  |  |
| --- | --- | --- |
| Criterion | Performance level | Score |
| Poor(0.00-10 points) | Average(10.1-15 points) | Good(15.1-20.00 points) |
| Quality and completeness of graph/diagram (Weight: 30%) | Disjointed representation of data through multiple trend linesNo labelling (including unit specifications) of graph doneVisibility of data fluctuations is poor | Representation of data through an integrated & single trend lineNo proper labelling (including unit specifications) of graph doneData fluctuations are fairly visible in the diagram | Representation of data through an integrated & single trend lineProper labelling (including unit specifications) of graph doneData fluctuations are clearly visible in the diagram |  |
| Write-up(Weight: 70%) | Causal analysis of fluctuations in data not done, movements have been just describedFundamental factors of the observed fluctuations not touched/mentionedFlow of the write-up is frequently broken  | Causal analysis of only a few ups and downs done and reasonably appropriate explanation given for such movementsFundamental factors of the observed fluctuations not mentionedFlow of the write-up is fairly smooth  | Causal analysis of all ups and downs done and correct explanation given for such movementsFundamental factors of the observed fluctuations clearly mentionedLanguage of the write-up is clear and easily understandable |  |
| Weighted score out of 20 |  |

Assessment task: End-term Examination

**End-term Examination**

|  |  |  |
| --- | --- | --- |
| Criterion | Performance level | Score |
| Poor(0-4 marks) | Average(4.1-7.0 marks) | Good(7.1-10 marks) |
| Ability to explain determinants and fluctuations of exchange rate between INR and other key currencies, implications of adverse balance of payments situations, particularly current account deficit, fluctuations in crude oil prices & their business implications, and role of FDI and FPI in India | Students were unable to appropriately explain the determinants and fluctuations of exchange rate between INR and other key currencies, implications of adverse balance of payments situations, particularly current account deficit, fluctuations in crude oil prices & their business implications, and role of FDI and FPI in India | Students were able to explain to large extent the determinants and fluctuations of exchange rate between INR and other key currencies, implications of adverse balance of payments situations, particularly current account deficit, fluctuations in crude oil prices & their business implications, and role of FDI and FPI in India | Students were able to fully explain determinants and fluctuations of exchange rate between INR and other key currencies, implications of adverse balance of payments situations, particularly current account deficit, fluctuations in crude oil prices & their business implications, and role of FDI and FPI in India |  |

**Institute’s Policy Statements**

It is the responsibility of every student to be aware of the requirements for this course, and understand the specific details included in this document. It is emphasized that this course requires a significant commitment outside of formal class contact.  The learning tasks in this course may include classes (lectures or seminars), required reading, the preparation of answers to set questions, exercises and problems, and self-study. In addition, students may be required to complete an assignment, test or examination.

**LMS-Moodle/Impartus:**

LMS-Moodle/Impartus is used to host course resources for all courses. Students can download lecture, additional reading materials, and tutorial notes to support class participation.

 **Late Submission**

Assessment tasks submitted after the due date, without prior approval/arrangement, will be not be accepted. Requests for extension of time must be made with the faculty member concerned and based on Special Consideration guidelines.

 **Plagiarism**:

Plagiarism is looked at as the presentation of the expressed thought or work of another person as though it is one's own without properly acknowledging that person.

 Cases of plagiarism will be dealt with according to Plagiarism Policy of the institute. It is advisable that students should read Student Handbook for detailed guidelines. It is also advisable that students must not allow other students to copy their work and must take care to safeguard against this happening. In cases of copying, normally all students involved will be penalized equally; an exception will be if the student can demonstrate the work is their own and they took reasonable care to safeguard against copying.