

THE INSTITUTE OF COMMERCIAL MANAGEMENT

SUBJECT SYLLABUS



Export Practice and Management

Course Title	Export Practice and Management
Unit Code	EPM-0605
Level	2
Credits	20
Unit Leader	KE
Pre-requisites	Export Office Practice

Main Aim(s) of the Unit:

This module aims to provide a foundation of knowledge which is key to successful international trade, including risk, the nature of the global operations industry and its main players, management of information and record keeping, fundamentals of financial management, record keeping including balance sheets and P&L accounts as well as cost assessment, managing cash flow and cash flow forecasting. Price calculation and IT implications and considerations are also covered.

What an Export Business is All About

- What Does a Business, Any Business, Actually Do?
- What is Management?
- Are There Any Such Things as Management Principles?
- What is Special About an Export Business?
- A Birds-Eye View of What an Export Business Does
- So What is the Point of It All?

Companies & Businesses

- A 'Business' or a 'Company'?
- Types of UK Businesses
- The Significant Characteristics of Incorporated Companies
- National Variations in Financial Reporting
- The Implications of National Variations

How We Measure Our Progress

- 'It Seems Like a Very Good Idea!'
- Turning a Business Idea into a Business
- What a Financial Management System Does Not Measure

Organising the Information Flows

- Management Information & Control
- Export Activities & Management Records
- Investment in the Market and in the Distributor
- Keeping an Eye on the Profitability
- Keeping an Eye on the Cash
- The Basis of Longer-Term Planning
- The Business as a Machine

Management, the Business & the Finance

- What is a Balance Sheet?
- The Story of a New Exporter
- Bookkeeping Without Any Books
- Some General Points to Consider
- Working Capital
- The Alternative Layout of a Balance Sheet

The Trading & Profit & Loss Account

The 'Accounting Period'
 The Link With the Balance Sheet
 The 'Accruals Concept' - This is Important!
 Which Figures Do We Include?
 Which 'Profit' Figures Should Management be Interested in?
 What About Accounting for Value Added Tax?
 Calculating the Profit (or loss, as it May Be)
 What Does the Profit & Loss (& The Balance Sheet) Tell Us?

How We Calculate the Profit

How do the Financial Figures Reach Your Desk?
 A Matter of Presentation
 But What Happened to the Cash During the Year?

Thinking About Costs

Why We Need to Think About Costs Before Doing the Sums
 Why Do We Want to Calculate the Costs Anyway?
 Some Costing Definitions
 Costs for Routine Pricing & Management Control

The Problem with Absorption Costing

Costs for Strategic Planning & For Tactical Pricing
 The Price Reduction Strategy
 The Sales Promotion Increase Strategy
 The Idea of 'Contribution' Towards Fixed Costs
 Accounting for the Costs of Fixed Assets

Cash, & How it Flows In & Out

A Reminder About 'Working Capital'
 Which is Important, Profits or Cash?
 The Working Capital Cycle
 Keeping a Grip on Cash Flows
 The Cash Flow Statement
 Analysing & Interpreting the Cash Flow Statement

The 'Why' & 'How' of Cash Flow Forecasting

Cash or profit - What's the Difference?
 Cash, Profits & the 'Time Value of Money'
 The Essential Features of Cash Flow Forecasting
 A Small Service Company & Its Cash
 The Mill in South East Asia

Cash, Stocks & Working Capital

A Manufacturing Explosion
 Software & Hardware Bargaining
 The Difference Between Expansion & Just Being Big
 Spreadsheets & Planning

Prices & Costs (& Some Other Things as Well)

A Problem Involving Pricing & Profits
 Break-Even Volumes
 The Break-Even Chart
 Using a Computer Spreadsheet
 Using Simple Algebra to Calculate Break-Even Volumes
 Different Ways of Looking at Contribution
 Developing the Idea of Contribution
 Incorporating a Profit Target
 Several Products & Markets
 Optimising the Volumes & Prices

Coping With the Uncertainties

- What do We Mean by Uncertainty or Risk?
- Quantifying Probabilities
- The Contract Problem
- The Successful (?) Distributor Problem, Continued
- The Exhibition Stand Problem Re-Visited
- Selecting a Decision Strategy
- Decision Making in the (Uncertain) Management Context

Information Technology & Exporting

- The Place of Technology in a Business
- System Design
- The System Architecture
- The Operational Requirements
- What Do Users Need to Know of the Technology?
- The Hardware & Software Base
- Software Specifically for the Export Office
- Communications & Wide Area Networks
- Telecommunications, WANs, VANS & EDI

Learning Outcomes for the Unit

At the end of this Unit, students will be able to:

1. Explain the nature of international trade and its main players
2. Explain the importance of and some of the processes involved in good information management and record keeping
3. Demonstrate an understanding of financial management and record keeping including assessment of balance sheets and P&L accounts
4. Perform basic calculations in the management of cash flow and cash flow forecasting.
5. Employ basic algebra to calculate cost and price
6. Discuss implications and considerations of IT in the work place.

The numbers below show which of the above module learning outcomes are related to particular cognitive and key skills.

Knowledge & Understanding	1-6
Analysis	3-6
Synthesis/Creativity	-
Evaluation	2-6
Interactive & Group Skills	-
Self-appraisal/ Reflection on Practice	-
Planning and Management of Learning	1-6
Problem Solving	2-6
Communication & Presentation	2-6
Other skills (please specify):	-

Learning and teaching methods/strategies used to enable the achievement of learning outcomes:

Learning takes place on a number of levels through lectures, class discussion including problem review and analysis. Formal lectures provide a foundation of information on which the student builds through directed learning and self managed learning outside of the class. The students are actively encouraged to form study groups to discuss course material which fosters a greater depth learning experience.

Assessment methods and weighting which enable students to demonstrate the learning outcomes for the Unit:

3 Hour Examination	100%
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Indicative Reading for this Unit:

Main Text:

Principles of Management in Export - James Conlan (Blackwell Publishers)

Alternative Text and Further Reading:

Export Practice and Management – Alan E Branch (Thompson)

The Export Trade - Schmitthoff (Sweet & Maxwell)

Guideline for Teaching and Learning Time (10 hrs per credit)

Lectures / Seminars / Tutorials / Workshops **50 hours**

Tutorial support includes feedback on assignments and may vary by college according to local needs and wishes.

Directed learning **50 hours**

Advance reading and preparation / Class preparation / Background reading / Group study / Portfolio / Diary
Etc

Self managed learning **100 hours**

Working through the course text and completing assignments as required will take up the bulk of the learning time. In addition students are expected to engage with the tutor and other students and to undertake further reading using the web and/or libraries.