



**Stockholm School of Economics in Riga**

**Course Catalogue**  
**2018/2019**

	Core programme	Period	ECTS credits		Page No
	<b><u>YEAR 1</u></b>				
1	Data analysis	180820-180914	3		<a href="#">...1</a>
2	Financial Accounting	180820-180921	4.5		<a href="#">...5</a>
3	Mathematics	180827-181012	4.5		<a href="#">...7</a>
4	Academic English	180903-181109	6		<a href="#">...8</a>
5	Introduction to Academic Studies	180917-181102	3		<a href="#">...10</a>
6	Economic Statistics	181015-181123	4.5		<a href="#">...13</a>
7	Microeconomics	181022-190111	6		<a href="#">...14</a>
8	Managerial Economics	190114-190201	4.5		<a href="#">...15</a>
9	Organization & Management	190107-190301	4.5		<a href="#">...18</a>
10	Macroeconomics	190128-180426	7.5		<a href="#">...20</a>
11	Business Ethics and Sustainability	190225-190412	3		<a href="#">...21</a>
12	Introduction to Entrepreneurship	190408-190410	1.5		<a href="#">...26</a>
13	Marketing	190411-190508	4.5		<a href="#">...28</a>
14	Economic and Consumer Psychology	190506-190524	3		<a href="#">...29</a>
15	Mgmt. Accounting & Finance	190327-190503	4.5		<a href="#">...31</a>
	<b><u>YEAR 2</u></b>				
16	Human Resource Management	180820-180921	4.5		<a href="#">...33</a>
17	International Finance	180827-180928	4.5		<a href="#">...35</a>
18	Econometrics	181001-181206	7.5		<a href="#">...37</a>
19	International Economics	181022-181123	6		<a href="#">...40</a>

20	Market Research	181203-181130	4.5		<a href="#">...43</a>
21	Economic Anthropology	181210-181221	3		<a href="#">...46</a>
22	Financial Economics	190107-190315	12		<a href="#">...50</a>
23	Economic and Consumer Psychology	190318-190405	3		<a href="#">...53</a>
24	Accounting & Finance	190415-190524	6		<a href="#">...56</a>
25	Strategy	190603-190621	6		<a href="#">...59</a>
	<b>YEAR 3</b>				
26	Specialisation: Economics	180820-180921	7.5		<a href="#">...63</a>
27	Specialisation: Retail Fundamentals	180820-181130	15		<a href="#">...66</a>
28	Political Economy	180924-181026	4.5		<a href="#">...69</a>
29	Specialisation: Finance	181022-181123	7.5		<a href="#">...73</a>

## 1. Data Analysis

<b>Course Director</b>	<b>Garančs Rihards</b> , Lecturer
<b>Department</b>	Languages, Communication& IT
<b>Lecturer(s)</b>	<b>Rihards Garancs</b> rihards.garancs@carlsberg.com
<b>ECTS Credit Points</b>	<b>3 ECTS</b> ; core course
<b>Course Prerequisites</b>	All students must have a personal computer with Excel 2013 or later installed. Note: it is preferred to have Windows excel version
<b>IT-skills needed</b>	No previous IT skills are required
<b>Related Courses</b>	Business Intelligence (elective course) & curriculum in Data Science Lab
<b>Students eligible</b>	Year 1 and exchange students, as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	IITC course covers introductory knowledge and primary skills in Microsoft Word and Microsoft Excel. The course aims to prepare students for the most common tasks they will have to do during their studies. Course briefly covers most common functions of Word and covers more advanced areas of Excel that are relevant for Business studies.
<b>Content</b>	<ul style="list-style-type: none"> <li>- Word assignment covering most common and useful features of Microsoft Word for everyday use</li> <li>- Excel lectures demonstrating capabilities and typical use cases of Microsoft Excel: <ul style="list-style-type: none"> <li>• Overall knowledge about formulas, their structure &amp; usage</li> <li>• Improving speed &amp; efficiency in excel (most commonly used hotkeys)</li> <li>• Usage of text manipulations in excel</li> <li>• Date &amp; time application in excel</li> <li>• The basics of conditional formatting</li> <li>• Working with vast array of data – pivot tables</li> <li>• Presenting data and introduction to <i>dashboarding</i></li> </ul> </li> </ul>
<b>Structure and Format</b>	The course is highly practical and requires students to use the tools and features demonstrated in lectures. All lectures are followed by practicums where students are required to solve advanced issues and learn to use demonstrated tools on new problems. Practicums aim to prepare students for the exam where a large amount of typical Excel problems will have to be solved in a short amount of time. The course will show business thinking behind excel data analysis capabilities and guidelines for data analysis, for example how a simple working table can be made into interactive graphical data representation. The course will gradually develop the most used techniques for data manipulation/analysis from regular formulas, to table format and finally to pivot tables.
<b>Literature and other resources</b>	There will be no extra reading materials apart from the course excel and word files provided before the course via e-learning platform. Extra learning materials will be provided after the course to further strengthen the knowledge.
<b>Learning Outcomes</b>	Course will be useful for all students who will need to work with Word or Excel during their studies and work life. Course will be especially useful for students foresee a lot of analytical work and data. By the end of the course one should be equipped with the basic skills & knowledge to do analytical tasks & data management/analysis on excel.
<b>Attendance</b>	Attendance is mandatory, one cannot miss more than two lectures/seminars
<b>Requirements and Grading</b>	To pass the course, all students must submit a Word Task and pass the exam in Excel. Word Task makes up 25% of the course grade while the rest of the grade is decided by Excel Exam Result. A combined minimum of 100 points is necessary to pass the course.

## 2. Financial Accounting

<b>Course Director</b>	<b>Tocelovska Natalja</b> , Lecturer natalja.tocelovska@sseriga.edu
<b>Department</b>	Finance& Accounting
<b>Lecturer(s)</b>	Tocelovska Natalja, Lecturer natalja.tocelovska@sseriga.edu Lubloy Agnes, Associate Professor agnes.lubloy@sseriga.edu
<b>ECTS Credit Points</b>	<b>4,5 ECTS</b> ; core course
<b>Course Prerequisites</b>	Mathematics
<b>Research skills needed and developed</b>	Analytical skills, conceptual thinking
<b>IT-skills needed</b>	MS Excel, Word
<b>Related Courses</b>	Managerial Economics, Management Accounting and Finance, Accounting and Finance
<b>Students eligible</b>	Year 1 and exchange students, as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	The main objective of the course is to develop students' ability to measure, record and communicate the financial information of the company. Being the first course in accounting (and followed by Managerial Economics, Management Accounting and Finance in Year 1 and Accounting and Finance in Year 2), Financial Accounting provides the important background for the upcoming studies of the students. In order to successfully develop this base, we focus on both how to prepare and read the financial statements of the company.
<b>Content</b>	<ol style="list-style-type: none"> <li>1. Introduction to accounting <ul style="list-style-type: none"> <li>- learning the scope of accounting, the accounting equation, double entry system, T-accounts</li> <li>- recording the transactions, journal entries</li> <li>- defining accounting concepts and principles</li> <li>- preparing a trial balance</li> <li>- preparing an Income statement</li> <li>- preparing a balance sheet</li> </ul> </li> <li>2. Adjustments for financial statements <ul style="list-style-type: none"> <li>- making provisions for receivables</li> <li>- accounting for depreciation of non-current assets</li> <li>- making valuation of inventories</li> <li>- making adjustments for accruals and prepayments</li> </ul> </li> <li>3. Interaction between financial statements <ul style="list-style-type: none"> <li>- preparing a cash flow statement</li> <li>- comparing financial statements of different types of companies</li> <li>- analysing financial statements (accounting ratios)</li> </ul> </li> </ol>
<b>Structure and Format</b>	This will be an intensive course combining lectures, seminars and a project. We will have a slower start concentrating on the very basics of Financial Accounting during the first week, then gradually increasing the pace in the following two weeks. The only way of learning accounting properly is to solve as many exercises as possible. During this course, we will combine both theory and problem solving to ensure the best

	<p>grade during the exam.</p> <ul style="list-style-type: none"> <li>- Lectures (15*90)</li> <li>- Seminars (10*90): In order to prepare for the upcoming seminar students need to read the chapters stated in the course description together with the review questions (will be provided to the students at the beginning of the course).</li> <li>- Project: The objective of the project is to increase students' knowledge and skills in recording transactions and preparing financial statements. Students will be divided into groups (groups will be announced). Each group will receive a unique data file. The group will be asked to prepare a balance sheet and an income statement for the company using accounting software.</li> </ul>
<b>Literature and other resources</b>	<p>Frank Wood's Business Accounting: Volume 1, Pearson Education Ltd 13th edition, 2015.</p> <p>The number of the chapter required to be read for each lecture is stated in the course outline (will be provided to the students at the beginning of the course)</p>
<b>Learning Outcomes</b>	<p>After completion of the course, students should be able to:</p> <ul style="list-style-type: none"> <li>- understand the general purposes and functions of accounting</li> <li>- know and apply the basic vocabulary, definitions and double-entry procedures of accounting including the accounting equation</li> <li>- understand the underlying concepts and standards of accounting</li> <li>- record common transactions</li> <li>- perform the accounting for non-current assets, inventory, receivables, non-current liabilities, current liabilities and equity</li> <li>- draw and interpret a multiple-step income statement, balance sheet, and cash flow statement of a company</li> <li>- understand the interactions between the financial statements and the way they are used by investors, creditors, regulators, and managers</li> <li>- analyse the financial statements</li> </ul>
<b>Attendance</b>	Not mandatory (neither lectures nor seminars)
<b>Requirements and Grading</b>	<p>Written exam (85%)</p> <p>Project (15%)</p>

### 3. Mathematics

Course Director	<b>Nicolas Gavoille</b> , Assistant Professor nicolas.gavoille@sseriga.edu
Department	Economics
Lecturer(s)	<b>Nicolas Gavoille</b>
ECTS Credit Points	4,5 ECTS, core course
Course Prerequisites	Basic mathematics
Research skills needed and developed	The course develops abstract thinking, logic and rigorous reasoning. It also provides a set of basic mathematical tools necessary to understand economic theory and hence economic academic literature.
IT-skills needed	None
Related Courses	Economic Statistics, Econometrics, Microeconomics, Macroeconomics, International Economics, Financial Economics, International Finance, Managerial Economics.
Students eligible	Year 1 / 2 / 3 and exchange students, as well as debtors from previous study years
Introduction (Course objectives)	The course provides an introduction to the <b>essential mathematical methods</b> used in modern <b>economics</b> and <b>finance</b> . The objective of the course is to equip students with the mathematical toolkit required for later coursework, and to show how to use mathematical language to better understand economics. The emphasis will essentially be put on <b>procedures and examples</b> . As a way of demonstrating the importance of mathematics in economics, various <b>economic applications</b> will illustrate the mathematical concepts studied during the course.
Content	<b>Week 1</b> Introduction, set theory, introduction to probabilities <b>Week 2</b> Functions of one variable and introduction to differentiation <b>Week 3</b> Introduction to optimization <b>Week 4</b> Introduction to integral calculus <b>Week 5</b> Calculus with functions of several variables <b>Week 6</b> Introduction to linear algebra 1 <b>Week 7</b> Introduction to linear algebra 2
Structure and Format	- Lectures (20 x 90 min) - Seminars in small groups (20 x 90 min)
Literature and other resources	The reference textbook is Sydsaeter and Hammond, Mathematics for Economic Analysis (1995).
Learning Outcomes	By the end of this course it is expected that the student will: - Have developed analytical skills and rigorous reasoning - Understand the principles of optimization and linear algebra, which are the cornerstones of all modern economic theory - Be able to understand mathematical representations of economic models Have sufficient mathematical skills to succeed in later math intensive courses (in particular Financial Economics and Econometrics).
Attendance	Attending lectures and seminars is not mandatory but <b>highly</b> recommended
Requirements and Grading	- Midterm exam - Final exam - The midterm grade counts for 30% of the total grade <b>if</b> the midterm grade is higher than the final exam grade, but only for 10% if the midterm grade is lower than the final

exam grade.

- To pass, **both** your final exam grade and your total grade have to be **greater than or equal to 100**.
  - All students obtaining a grade lower than 100 at the final exam will have to retake the exam in January
  - Debtors are required to take **both** the midterm and the final exams.
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## 4. Academic English

<b>Course Director</b>	<b>Banziņa Elīna</b> , Assistant Professor elina.banzina@sseriga.edu
<b>Department</b>	Languages
<b>Lecturer(s)</b>	Banziņa Elīna (elina.banzina@sseriga.edu)
<b>ECTS Credit Points</b>	<b>6 ECTS</b> ; core course
<b>Research skills needed and developed</b>	The course develops students' referencing, paraphrasing, argumentation and effective writing skills that are expected in academic prose
<b>Related Courses</b>	Introduction to Academic Studies, Critical Thinking
<b>Students eligible</b>	Year 1 and exchange students, as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	In this course sequence, students will be introduced to academic writing conventions, various advanced grammar issues in academic discourse, and the principles of effective argumentative writing, which will help them with reports and presentations at SSE Riga and beyond.
<b>Content</b>	The English in an Academic Context component focuses on referencing, paraphrasing, using diplomatic language, and various advanced English usage issues. The Articles component is devoted solely to English article use, one of the most difficult aspects of the English language. Finally, Argumentative Writing teaches students how to construct logical arguments, develop paragraphs, and generate a clear and concise writing style.
<b>Structure and Format</b>	<ul style="list-style-type: none"> <li>- The EAC component: 10 lectures (90 min); 5 seminars (90 min); mandatory assignments</li> <li>- The Articles component: 2 lectures (90 min); 3 online lessons; optional assignments</li> <li>- The Argumentative Writing component: 5 lectures (90 min); 3 seminars (90 min); written assignments and individual meetings with those who need additional help</li> </ul>
<b>Literature and other resources</b>	There is no textbook for this course. All course material will be available online or posted to E-learning by the instructor.
<b>Learning Outcomes</b>	Students will be able to produce grammatically accurate, clear, logical, well-organized written work that conforms to academic writing standards.
<b>Attendance</b>	The course will be delivered in a twice-weekly lecture format, supplemented with practical sessions for those who wish to have additional practice. Attending lectures is mandatory. Attendance at seminars is optional, unless indicated otherwise by the course instructor based on the quality of individual assignments.
<b>Requirements and Grading</b>	The grade for Academic English is based on the results of the final exams. Each component has a separate exam that must be passed. That is, students must receive at least 50 points in EAC, at least 25 points in Articles, and at least 25 points in Argumentative Writing.

## 5. Introduction to Academic Studies

<b>Course Director</b>	Landes Xavier, Assistant Professor xavier.landes@sseriga.edu Christopher Rieber, lecturer, christopher.riever@sseriga.edu
<b>Department</b>	Business and management
<b>Lecturer(s)</b>	<ul style="list-style-type: none"> <li>- Vanda Dauksta, vanda.dauksta@sseriga.edu</li> <li>- Kata Fredheim, kata.fredheim@sseriga.edu</li> <li>- Dominik Gerber, dominik.gerber@sseriga.edu</li> <li>- Xavier Landes, xavier.landes@sseriga.edu</li> <li>- Christopher Rieber, christopher.riever@sseriga.edu</li> </ul>
<b>ECTS Credit Points</b>	3
<b>Course Prerequisites</b>	None
<b>Research skills needed and developed</b>	<p>Academic presentation Academic reading Academic writing Academic research and referencing Peer feedback Critical thinking and argumentation Autonomous work</p>
<b>IT-skills needed</b>	None
<b>Related Courses</b>	Academic English Ethics and Sustainable Business
<b>Students eligible</b>	Year 1 and exchange students, as well as debtors from previous study years
<b>Course objectives</b>	The course overall goal is to expose and train students to the requirements and methods of academic studies, which represent a significant divergence from high-school environment. Universities activities are based on knowledge production and dissemination. These two functions are the premises for producing a high-quality education. It is therefore important for students to assimilate university standards in terms of academic competences, i.e. <i>skills</i> (such as reading, writing or presenting), <i>knowledge</i> (about business, economics, ethics, politics, anthropology), <i>values</i> (like honesty, good faith) and <i>attitudes</i> (in terms of work ethics).
<b>Content</b>	<p>The course is divided into two successive blocs.</p> <ul style="list-style-type: none"> <li>- A common track with a final assignment</li> <li>- A continuation made of seminars for the students who failed the common track</li> </ul> <p><b>Part I: Common Track [Weeks 1-5]</b></p> <p><b>1. Why and How to Think Critically (60 minutes), Soros [Week 1]</b></p> <p>The goal of the first session is to briefly introduce students to the demands and expectations of critical thinking: why it is important, especially in a business environment. The tools for successful studies will be presented: the importance of attendance, hand-note writing, reading at home.</p> <ul style="list-style-type: none"> <li>- Appleby, Drew C. (2016), Why Your Freshman Year In College Will NOT Be 13<sup>th</sup> Grade <a href="http://psychlearningcurve.org/freshman-year/">http://psychlearningcurve.org/freshman-year/</a></li> <li>- Dynarski, Susan (2017), For Note Taking, Low-Tech is Often Best <a href="https://www.gse.harvard.edu/news/uk/17/08/note-taking-low-tech-often-best?utm_source=SilverpopMailing&amp;utm_medium=email&amp;utm_campaign=09.05.2017%20(1)">https://www.gse.harvard.edu/news/uk/17/08/note-taking-low-tech-often-best?utm_source=SilverpopMailing&amp;utm_medium=email&amp;utm_campaign=09.05.2017%20(1)</a></li> <li>- Robbins, Stever (2010), The Path to Critical Thinking <a href="https://hbswk.hbs.edu/archive/the-path-to-critical-thinking">https://hbswk.hbs.edu/archive/the-path-to-critical-thinking</a></li> </ul>

	<p><b>2. Efficient Reading and Good Argumentation (60 minutes), Soros [Week 1]</b>  This third session will enter into the details of the methodology to read academic texts efficiently, identify the main claims as well as the characteristics of good argumentation, i.e. of valid and sound arguments.</p> <p><b>3. Detecting and Avoiding Fallacies (60 minutes), Soros [Week 1]</b>  The fourth session will be a presentation of the main fallacies, why they matter and how to avoid them.</p> <p><b>DEADLINE: Text analysis [End of Week 1]</b>  Students will be asked to write a text analysis based on questions given during the first lecture. Lecturers will comment assignments and provide guidance about how to improve assignments on week 3. Each student will also receive feedback from a peer. Assignments will get a conditional grade, i.e. a grade that could be changed after revision.</p> <p><b>5. Presentation Skills [Week 2], seminar format</b>  8 groups distributed over two days</p> <p><b>6. Reliable Sources, Fact-Checking and Post-Truth [Week 3], seminar format</b>  8 groups</p> <p><b>7. Plagiarism and Referencing, Soros [Week 3], seminar format</b>  8 groups</p> <p><b>DEADLINE: Revised text analysis [Week 3]</b>  Students will submit a revised version of their first analysis and will be graded accordingly.</p> <p><b>DEADLINE: Final assignment [Week 5]</b></p> <p><b>Part II: Seminars [Weeks 7-10]</b>  Students who failed the first part will be divided in 8 groups. Seminars will be based on group work, presentations, peer feedback and a final assignment.</p> <p><b>1. Seminar 1 [Week 7]</b>  <b>2. Seminar 2 [Week 8]</b>  <b>DEADLINE: Final assignment [Week 10]</b></p>
<b>Structure and Format</b>	<ul style="list-style-type: none"> <li>- 5 lectures of 60 minutes</li> <li>- 1 wave of 8 x 120 minute seminars (Presentation skills)</li> <li>2 waves of 8 x 90 minute seminars (second part)</li> </ul>
<b>Literature and other resources</b>	<p>All compulsory readings will be uploaded on the e-learning platform. All books from which complementary readings are extracted are available at the SSER library.</p> <p>Course manual: MacDonald, Chris and Hasko Von Kriegstein (2018)</p> <p>Other, complementary, readings</p> <ul style="list-style-type: none"> <li>- Fisher, Alec (2011), <i>Critical Thinking: An Introduction</i>, Cambridge: Cambridge University Press.</li> <li>- Gula, Robert J. (2007), <i>Nonsense. Red Herrings, Straw Men and Sacred Cows: How We Abuse Logic in Our Everyday Language</i>, Edinburg VA: Axios Press</li> <li>- Howard-Snyder, Frances, Daniel Howard-Snyder and Ryan Wasserman (2013), <i>The Power of Logic</i>, New York: McGraw-Hill.</li> </ul> <p>Swatridge, Colin (2014), <i>Oxford Guide to Effective Argument and Critical Thinking</i>, Oxford: Oxford University Press.  MacDonald, Chris and Hasko von Kriegstein (2017)</p>
<b>Learning Outcomes</b>	<p>By the end of the course, students should be able to:</p> <ul style="list-style-type: none"> <li>- Read an academic article and identify the main argument,</li> <li>- Find for reliable sources, select information and do proper referencing,</li> <li>- Write a critical analysis of arguments,</li> <li>- Expose their analysis orally,</li> <li>- Provide substantial feedback to their peers,</li> </ul>

	Work autonomously (i.e. do the readings on their own, assignments at home and manage their workload).
<b>Attendance</b>	While attendance to lectures is not compulsory, students are expected to show up to lectures. Any demand of additional information emanating from students who do not attend to lectures will be answered at the discretion of lecturers. Attendance to seminars is compulsory. Unjustified absence (i.e. without a doctor's note or <i>force majeure</i> case) will lead to a 0 grade for the presentation/participation component of the final grade.
<b>Electronic Devices Policy</b>	Electronic devices are not allowed. They should be stored during lectures and seminars, except when explicitly stated otherwise by lecturers. Failure to comply could lead to exclusion or the end of the lecture.
<b>Requirements and Grading</b>	For the first part, grades (200-point scale) will be constituted of: <ul style="list-style-type: none"> <li>- Revised version of the first submission (30%)</li> <li>- Feedback (10%)</li> <li>- Quiz on the readings and lectures (20%)</li> <li>- Final essay (40%)</li> </ul> For the second part, grades (200-point scale) will be constituted of: <ul style="list-style-type: none"> <li>- Presentation and participation to seminars (30%)</li> <li>- readings and lectures (20%)</li> <li>- Final essay (50%)</li> </ul>

## 6. Economic Statistics

<b>Course Director</b>	<b>Morten Hansen</b> , Lecturer morten.hansen@sseriga.edu
<b>Department</b>	Economics
<b>Lecturer(s)</b>	Morten Hansen, Head of Economics Department
<b>ECTS Credit Points</b>	<b>4,5 ECTS</b> ; core course
<b>Course Prerequisites</b>	Basic probability theory, combinations and permutations
<b>Research skills needed and developed</b>	Creating understanding of hypothesis formulation and testing
<b>IT-skills needed</b>	Excel an advantage, STATA to be developed
<b>Related Courses</b>	Mathematics, Econometrics
<b>Students eligible</b>	Year 1 and exchange students, as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	By far the most important objective is to make students understand the idea of hypothesis testing and be able to formulate hypotheses and perform tests. To get this far, the topics described under “Content” are needed, e.g. sampling and sampling distributions.
<b>Content</b>	<p>Random variables</p> <p>Discrete probability distributions: Binomial, Hypergeometric, Poisson</p> <p>Continuous probability distributions: Exponential, Normal, Uniform</p> <p>Sampling</p> <p>Sampling distributions: Student’s t, <math>\chi^2</math>, F</p> <p>Point estimation</p> <p>Interval estimation/Confidence intervals</p> <p>Hypothesis testing</p>
<b>Structure and Format</b>	Lectures by the lecturer – some 30 academic hours in blocks of two or three hours. Seminars led by TAs. Four groups of students, one for each TA i.e. groups of around 30 students. 7-8 seminars in total, two academic hours per seminar.
<b>Literature and other resources</b>	Textbook: Statistics for Business and Economics, 8 <sup>th</sup> edition. Paul Newbold, William L. Carlson, Betty M. Thorne. Pearson. Chs, 1, 2, 4 – 10.
<b>Learning Outcomes</b>	Understanding the idea of basic sampling and hypothesis testing.
<b>Attendance</b>	No mandatory attendance
<b>Requirements and Grading</b>	The final exam (3 ½ hours), written, open-book, school’s calculator only, counts for 100% of the grade.

## 7. Microeconomics

<b>Course Director</b>	<b>Morten Hansen</b> , Lecturer morten.hansen@sseriga.edu
<b>Department</b>	Economics
<b>Lecturer(s)</b>	Morten Hansen, Head of Economics Department
<b>ECTS Credit Points</b>	<b>6 ECTS</b> ; core course
<b>Course Prerequisites</b>	Understanding of mathematical derivatives
<b>Research skills needed and developed</b>	No research skills needed but students will be taught - and experience - how to write a report on a microeconomic topic, i.e. perform some basic research.
<b>IT-skills needed</b>	Excel, PowerPoint, Word
<b>Related Courses</b>	Mathematics, Macroeconomics, International Economics, International Finance, Financial Economics
<b>Students eligible</b>	Year 1 and exchange students, as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	To provide students with an understanding of core microeconomic concepts and enable them to provide analysis of microeconomic problems, theoretical as well as practical.
<b>Content</b>	Microeconomics at an intermediate level: Budget constraint, indifference curves optimal choice, elasticity, demand, costs, supply, equilibrium, welfare analysis, market forms (perfect competition, monopoly, monopolistic competition, oligopoly, monopsony), externalities, public goods.
<b>Structure and Format</b>	23-25 lectures, each of 3 academic hours. 12-14 seminars run by TAs. 4 TAs in all, i.e. some 30 students per TA group.
<b>Literature and other resources</b>	Hal Varian: Microeconomics, chs 1-10, 14-16, 35 and 37. Various handouts, e.g. relevant articles from The Economist.
<b>Learning Outcomes</b>	A deep understanding of microeconomics and the ability to perform practical analysis of a microeconomic nature.
<b>Attendance</b>	Not mandatory but highly recommended
<b>Requirements and Grading</b>	The course has three sets of grading. A written mid-term, closed book, 2 hours, a written final exam, closed book 3 hours and a report on a microeconomic topic. These elements count for 25%, 50% and 25% in the overall grade. To pass the weighted average of the three must be at least 100 points, In addition the final exam must be at least 100 points, the weighted average of the mid-term and the final exam must be at least 100 points and the report must receive at least 100 points. Failure to meet all requirements will result in the course being failed and one or both of its sub-components being failed.

## 8. Managerial Economics

<b>Course Director</b>	<b>Točelovska Natalja</b> , Visiting Lecturer Natalja.tocelovska@sseriga.edu
<b>Department</b>	Economics
<b>Lecturer(s)</b>	Andris Strazds, Visiting Lecturer andris.strazds@sseriga.edu Nicolas Gavaille, Assistant Professor nicolas.gavaille@sseriga.edu
<b>Course Prerequisites</b>	Financial Accounting, Microeconomics, Mathematics
<b>Research skills needed and developed</b>	Analytical skills, conceptual thinking
<b>IT-skills needed</b>	MS Excel, Excel Solver Word; aGPSS software
<b>Related Courses</b>	Financial Accounting, Financial Economics, Management Accounting and Finance, Accounting and Finance,
<b>Students eligible</b>	Year 1 and exchange students, as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	The course is oriented towards two different, but nevertheless related, areas: Managerial Economics (ME) and Simulation of Business Processes (SoBP). ME area may be labeled as traditional management accounting topics in managerial economics. It will introduce Students to a number of rules and tools that can be used to aid managerial decision making. ME part covers costing theory, pricing decisions, introduction to valuation, basic concepts in business strategy and budgeting. SoBP area is oriented towards building models of company's operations, that aid in decision making under uncertainty. It will introduce Students to optimizing business processes using computer simulation.
<b>Content</b>	<ul style="list-style-type: none"> <li>4. Cost accounting <ul style="list-style-type: none"> <li>- nature of costs</li> <li>- opportunity cost, economic profit</li> <li>- learning curve</li> <li>- full costing</li> <li>- activity-based costing, cost drivers</li> <li>- marginal costing</li> <li>- revenue management</li> </ul> </li> <li>5. Capital budgeting <ul style="list-style-type: none"> <li>- net present value</li> <li>- internal rate of return</li> <li>- payback period</li> <li>- WACC</li> <li>- tax effect and tax shield</li> <li>- free cash flow</li> </ul> </li> <li>6. Strategy and budgeting <ul style="list-style-type: none"> <li>- financial budgets</li> <li>- key performance indicators and scorecards</li> <li>- budgets and performance appraisal</li> </ul> </li> <li>7. Simulation within management science <ul style="list-style-type: none"> <li>- uses of simulation and GPSS</li> <li>- time measurement</li> </ul> </li> </ul>



	<ul style="list-style-type: none"> <li>- types of customers</li> <li>- sequential and parallel servers</li> <li>- movements in the model and quality control</li> <li>8. Principles of optimization</li> <li>- maximization and minimization under restrictions - Linear (and Quadratic) Programming using the Excel Solver</li> <li>- testing the LP solutions with simulation</li> <li>9. Exponential and normal distributions</li> <li>- queuing theory</li> <li>- inventory management</li> <li>- the Erlang distribution</li> <li>- cash flow forecasting</li> <li>- customized output and input, graphs, error and debugging</li> </ul>
<b>Structure and Format</b>	<p>The course will be divided into two parts. During the first two weeks Managerial Economics topics will be covered by Natalja Tocolovska and Andris Strazds. The model building, simulation and optimization of business processes will be covered by Nicolas Gavaille during weeks 3 and 4.</p> <p>The course will, to a large extent, be oriented towards making the participants understand different methods, techniques and models, as well as enabling them to use these tools in practice. Thus, the course will be largely 'hands-on', in the sense that the participants are expected to work actively with various problems. The lecture part will not be very large. There will be two to three hours of lecturing each day. The rest of the day will be devoted to working on practical exercises. Some of those problems will be assigned as mandatory exercises. Many of the problems require use of computers.</p> <ul style="list-style-type: none"> <li>- Lectures: 9*90, 6*120</li> <li>- Assignments for Managerial Economics part: 8 (in pairs)</li> <li>- Assignments for Simulation of Business Processes: 5 short individual assignments, 1 Final assignment (in pairs)</li> </ul>
<b>Literature and other resources</b>	<p>Essential Management Accounting: Allen M.W., Myddelton D.R.  Modeling Business Processes with aGPSS: Born R., Ståhl I.  Managing Change with Business Process Simulation: Profozich D.  The goal: a process of ongoing improvement: Goldratt, Eliyahu M.  The number of the chapter required to be read for each lecture is stated in the course description (will be provided to the students in the beginning of the course)</p>
<b>Learning Outcomes</b>	<p>After completion of the course, students should be able to:</p> <ul style="list-style-type: none"> <li>- understand the general purposes and application of cost accounting</li> <li>- know and apply the methods of capital budgeting</li> <li>- understand the concepts and practices of strategical planning and budgeting</li> <li>- perform simulation within management science</li> <li>- apply the principles of optimization</li> <li>- use the exponential and normal distribution methods.</li> </ul>
<b>Attendance</b>	Not mandatory (neither lectures, nor seminars)
<b>Requirements and Grading</b>	<p>There will be a single grade for the course based on the average numerical score obtained in both Managerial Economics and Simulation of Business Processes parts of the course, each accounting for 50% of the total score.</p> <p>Students should get at least Pass grade in each Managerial Economics and Simulation of Business Processes part of the course in order to pass Managerial Economics course.</p> <p>Managerial Economics part:  Exam: 100% of the grade. Exam is closed-book. A precondition for being allowed to take the final exam is that Students have submitted and passed all the Assignments.</p> <p>Simulation of Business Processes part:</p>



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Assignments: 5 short individual assignments 30% in total, Final assignment 70% (in pairs).  
In case of Fail in the Final assignment, Students must participate in the SoBP part next year.

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## 9. Organization & Management

<b>Course Director</b>	<b>Gleizdāne Inga</b> , Visiting Lecturer inga.gleizdane@sseriga.edu
<b>Department</b>	Business and Management
<b>Lecturer(s)</b>	Christopher Rieber (responsible for Research methods part) christopher.rieber@sseriga.edu Marina Pavlova marina.pavlova@sseriga.edu
<b>ECTS Credit Points</b>	<b>4,5 ECTS</b> ; core course
<b>Course Prerequisites</b>	None
<b>Research skills needed and developed</b>	<ul style="list-style-type: none"> <li>- Case study analysis, discussion and write-ups</li> <li>- Report writing and teamwork (incl. interviews, structure of the research and report, literature review, analysis, conclusions)</li> <li>- Feedback providing to the research of another peer group</li> <li>- Research presentation and opposition.</li> </ul>
<b>IT-skills needed</b>	Word, PPT
<b>Related Courses</b>	Human Resource Management, Strategy, Business Skills
<b>Students eligible</b>	Year 1 and exchange students, as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	<p>Organization and Management course objective is to provide you with knowledge of the ways how in the real life organizations are structured and managed in order to not only support the business strategy but even create competitive advantage.</p> <p>Imagine a case - 100 employees, a product or service, a potential client base and an empty sheet/ "0 organization" – how would you build and implement a structure, processes, culture and other management practices to provide the product or service to the client?</p>
<b>Content</b>	<p>The course will cover the approaches of effective organizations and effective management.</p> <p>The most common approaches as well as new trends based on rapidly changing environment will be analyzed.</p> <p>Organization strategy and the environment critically influence the choice of the "best" solutions of the organization design and management.</p> <p>I Organization:</p> <ul style="list-style-type: none"> <li>- Structure and skills (organization structure, job design, role of the managers)</li> <li>- Processes and governance (communication, decision making, learning and development)</li> <li>- Culture and behaviors (values, norms, identity, purpose)</li> </ul> <p>II Management and leadership of organizations</p> <ul style="list-style-type: none"> <li>- planning</li> <li>- organizing</li> <li>- leading</li> <li>- controlling</li> </ul>
<b>Structure and Format</b>	<ul style="list-style-type: none"> <li>- Lectures (11*90 min) incl. guest lectures</li> <li>- Seminars - case study discussions (3*45 mins, around 40 students per group)</li> <li>- 3 case write-ups (2A4 pages each)</li> <li>- Independent study of the materials posted on the course home page on the e-learning platform</li> <li>- The Course Report – Company analysis incl. company visit, at least 3 interviews, report presentation and written opposition to another report (4-5 students per group, total of around 34 groups)</li> </ul>

	<ul style="list-style-type: none"> <li>- Peer group feedback tasks throughout the research - for interim report, final report draft and the presentation.</li> </ul>
<b>Literature and other resources</b>	<ul style="list-style-type: none"> <li>- Reading list consisting of academic as well as business articles</li> <li>- Case studies</li> </ul>
<b>Learning Outcomes</b>	<p>At the end of the course the students should be able to identify effective and ineffective organizational design elements and management approaches by critically evaluating different influencing factors.</p> <p>Students should be able to provide suggestions based on the company strategy and environment analysis.</p>
<b>Attendance</b>	Mandatory lecture as well as seminar attendance. Students are allowed to miss one lecture/seminar.
<b>Electronic Devices Policy</b>	Electronic devices not allowed, phone allowed when required for in class activities e.g. tests, polls.
<b>Requirements and Grading</b>	<ul style="list-style-type: none"> <li>- 3 case write-ups (30%)</li> <li>- Providing peer group feedback to the report (20%)</li> <li>- Course report (50% where report 35%, presentation 10% and opposition 5%)</li> </ul> <p>At least 50% of the points in each of the 3 components are required.</p>

## 10. Macroeconomics

<b>Course Director</b>	<b>Hansen Morten</b> , Lecturer, Head of Economics Department morten.hansen@sseriga.edu
<b>Department</b>	Economics
<b>Lecturer(s)</b>	N/A
<b>ECTS Credit Points</b>	<b>7,5 ECTS</b> ; core course
<b>Course Prerequisites</b>	Microeconomics
<b>Research skills needed and developed</b>	No research skills needed but students will be taught - and experience - how to write a report on a macroeconomic topic, i.e. perform some basic research skills. This will also build upon skills learned in the Microeconomics course.
<b>IT-skills needed</b>	Excel, PowerPoint, Word
<b>Related Courses</b>	Microeconomics, International Economics
<b>Students eligible</b>	Year 1 and exchange students, as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	To introduce students to the main concepts of macroeconomics at an intermediate level and to enable them to perform macroeconomic analysis, including evaluation of a country's economic policies, existence of imbalances and how to correct such imbalances.
<b>Content</b>	Macroeconomics at an intermediate level: GDP, GDP disaggregation, the ISLM model, fiscal and monetary policy, the ASAD model, exchange rates, the Phillips curve and the link between labour markets and inflation.
<b>Structure and Format</b>	App. 25 lectures, each of 3 academic hours. 12-14 seminars, run by TAs. 4 TAs in all, i.e. some 30 students per TA group.
<b>Literature and other resources</b>	Dornbusch, R., Fischer, S. and Startz, R.: Macroeconomics, 11 <sup>th</sup> edition, chs 1 – 20. Various articles, some scholarly and some from sources such as The Economist and Financial Times.
<b>Learning Outcomes</b>	A very deep understanding of macroeconomics and the ability to perform practical macroeconomic analysis.
<b>Attendance</b>	Not mandatory but highly recommended.
<b>Electronic Devices Policy</b>	No electronic devices allowed during lectures or in exams.
<b>Requirements and Grading</b>	The course has three sets of grading. A written mid-term, closed book, 2 hours, a written final exam, closed book 3 hours and a report on a microeconomic topic. These elements count for 25%, 50% and 25% in the overall grade. To pass the weighted average of the three must be at least 100 points, In addition the final exam must be at least 100 points, the weighted average of the mid-term and the final exam must be at least 100 points and the report must receive at least 100 points. Failure to meet all requirements will result in the course being failed and one or both of its sub-components being failed.

## 11. Business Ethics and Sustainability

Course Director	Landes Xavier, Assistant Professor xavier.landes@sseriga.edu
Department	Business and Management
ECTS Credit Points	3 ECTS; core course
Course Prerequisites	None
Research skills needed and developed	<ul style="list-style-type: none"> <li>- Research</li> <li>- Reading</li> <li>- Argumentation</li> <li>- Study skills</li> </ul>
IT-skills needed	None
Related Courses	
Students eligible	Year 2 and exchange students, as well as debtors from previous study years
Introduction (Course objectives)	<p><b>IMPORTANT: NO ELECTRONIC DEVICE POLICY</b>  <b>All electronic devices should be stored in bags during lectures, except explicit mention from the lecturer or TAs. Failure to comply will lead to the immediate exclusion from the course and/or points penalty.</b></p> <p>The course objective is to introduce students to ethical thinking in a business context. It presents the basics of business ethics and relates business ethics to sustainability. At the end of the course, the students should be able to grasp the logic of ethical thinking, to identify ethical aspects of a given problem, to formulate a coherent and autonomous reasoning based on clear and solid premises and to apply this knowledge in a professional context, in particular in relation to sustainability.</p> <p>The sub-objectives of the course are to:</p> <ul style="list-style-type: none"> <li>- Introduce to ethics as a practical activity, its object, the main characteristics of good reasoning.</li> <li>- Understand the nature of business ethics and its importance for business and economy.</li> <li>- Understand the debate between shareholder and stakeholder theories as well as the adversarial nature of business.</li> <li>- Understand the importance of market failures for business ethics and sustainability.</li> <li>- Reflect on the moral duties of business in relation to sustainability.</li> </ul> <p>The course is based on: (a) <i>lectures</i>, which present the concepts and provide additional elements on course's themes and readings, and (b) <i>homework</i>, i.e. required readings and assignments. Students must read the required literature before the class, write one individual assignment and a final case study.</p>
Content	<p>The course is composed of six lectures of 90 minutes and one seminar of 60 minutes.</p> <p><b>ITRODUCTION TO BUSINESS ETHICS</b></p> <p>The session will be devoted to <i>why and how practice (business) ethics</i>. The first lecture will introduce to the idea that companies have social responsibilities, which is at the basis of business ethics.</p> <p><b>Required Readings (31)</b></p> <p>Davis, Keith (1960), 'Can Business Afford to Ignore Social Responsibilities?', <i>California Management Review</i>, 2(3): 70-76 Please search by title: Can Business Afford to Ignore Social Responsibilities in EBSCO Business Source Complete</p> <p>Hasnas, John (1998), 'The Normative Theories of Business Ethics: A Guide for the Perplexed', <i>Business Ethics Quarterly</i>, 8(1): 19-42 The Normative Theories of Business Ethics in EBSCO Business Source Complete</p> <p><b>Complementary Readings</b></p>

Marcoux, Alexei (2008), 'Business Ethics', *Stanford Encyclopedia of Philosophy*, <http://plato.stanford.edu/entries/ethics-business/>

### **SEMINAR: HOW TO DO A CASE STUDY?**

This seminar will offer some guidance to students in relation to the case study. Students are expected to come with questions.

### **SHAREHOLDER AND STAKEHOLDER THEORIES**

The lecture will focus on business ethics as a set of practical concerns on the moral acceptability of various corporate behaviours. Business ethics investigates the obligations that firms are subject to in relation to agents ranging from employees to local community. Publicized by concepts such as *corporate social responsibility* or *corporate citizenship*, the ethical vocabulary is now pervasive in the business community. It is often perceived as a formal requirement to which corporations only have to pay lip service. The lecture will present the *shareholder theory*, which stipulates that firms have only moral duties toward their shareholders, and the *stakeholder theory*, which claims that such duties are broader, including employees, clients, suppliers, local communities, and so forth.

#### **Required Readings (36+)**

Boatright, John R. (2006), 'What's Wrong – and What's Right – with Stakeholder Management', *Journal of Private Enterprise*, 21(2): 106-130  
[http://journal.apee.org/index.php?title=Spring2006\\_6](http://journal.apee.org/index.php?title=Spring2006_6)

Freeman, Edward R. (1998), 'A Stakeholder Theory of the Modern Corporation', in Laura B. Pincus Hartman (ed.), *Perspectives in Business Ethics*, Singapore: McGraw-Hill, 171-181 Available on the elearning platform

Friedman, Milton (1970), 'The Social Responsibility of Business Is to Increase its Profits', *New York Times Magazine*, September 13<sup>th</sup> Available on the elearning platform

#### **Complementary Readings**

Boatright, John R. (2002), 'Ethics and Corporate Governance: Justifying the Role of the Shareholder' in Norman E. Bowie (ed.), *Blackwell Guide to Business Ethics*, Oxford, Blackwell, 38-60

Freeman, Edward R., Kirsten E. Martin and Bidhan Parmar (2007), 'Stakeholder Capitalism', *Journal of Business Ethics*, 74(4): 303-314 Please search by title: stakeholder capitalism AND by author: freeman in EBSCO Business Source Complete

Marcoux, Alexei M. (2003), 'A Fiduciary Argument against Stakeholder Theory', *Business Ethics Quarterly*, 13(1): 1-24 Please search by title: a fiduciary argument against stakeholder theory in EBSCO Business Source Complete

10.

### **THE ADVERSARIAL NATURE OF BUSINESS ETHICS**

As sports, elections, court hearings, business is adversarial in nature. While cooperation is (partly) the norm within firms, firms often are not expected to act nicely towards each other, except toward their clients or suppliers. Cooperation among competitors is collusion and subject to anti-trust regulation. Competition is expected to produce social benefits such as low prices, innovation, gains of productivity, etc. A task of business ethics is to identify moral duties in competitive environments: *how competition practiced in business contexts creates specific moral duties? How those duties do interact with other ethical requirements?*

#### **Required Readings (36)**

Carr, Albert Z. (1968), 'Is Business Bluffing Ethical?', *Harvard Business Review*, January-February, 143-153 Please search by title: is business bluffing ethical in EBSCO Business Source Complete

Greenfield, Kent (2008), 'Corporate Ethics in a Devilish System', *Journal of Business and Technology Law*, 3(2): 427-435

Heath, Joseph (2007), 'An Adversarial Ethic for Business: or When Sun-Tzu Met the Stakeholder', *Journal of Business Ethics*, 72(4): 359-374 Please search by title: is adversarial ethic for business in EBSCO Business Source Complete

#### **Complementary Readings**

Freedman, Monroe H. (1966), 'Professional Responsibility of the Criminal Defense Lawyer: The Three Hardest Questions', *Michigan Law Review*, 64(8): 1469-1484 Available on the eLearning platform

### **INDIVIDUAL ASSIGNMENT**

Questions on the readings/course content + a short case study. The length will be 2-3 pages (to be confirmed).

-The case study will be available on the e-learning platform on week 34.

-Questions on the course/readings will be posted on week 35.

### **BUSINESS ETHICS AS A THEORY OF MARKET FAILURES**

A central concept in business ethics is *market failure*. Markets sometimes fail (as governments do), e.g. they create negative externalities (e.g. pollution, excessive noise or wasteful consumption), information problems (e.g. asymmetry of information, moral hazard), monopolies, etc. In welfare economics, market failures justify public regulation. Market failures also offer resources for identifying, fleshing out and justifying corporate duties in competitive environments. The lecture will offer a critical presentation of the market failures approach. The goal is to provide students with analytical tools for determining how market failures could help thinking corporate duties.

#### **Required Readings (41)**

Heath, Joseph (2014), 'A Market Failures Approach to Business Ethics' in Joseph Heath, *Morality, Competition, and the Firm*, New York, Oxford University Press, 25-41 Available on the eLearning platform

Heath, Joseph (2006), 'Business Ethics Without Stakeholders', *Business Ethics Quarterly*, 16(4): 533-557 Please search by title: business ethics without stakeholders in EBSCO business source complete

#### **Complementary Readings**

Miller, Gary (1992), 'Market Failures and Hierarchical Solutions' in Gary Miller, *Managerial Dilemmas: The Political Economy of Hierarchy*, Cambridge, Cambridge University Press, 19-34 Available on the eLearning platform

### **SUSTAINABILITY AS MARKET FAILURE**

The lecture will broaden the discussion of market failure and apply it to sustainability. Actually, most of environmental issues (pollution, atmospheric release of CO<sub>2</sub>, depletion of natural resources) could be interpreted as resulting from large and pervasive market failures. As such, sustainability calls for external remedies or corrections such as state intervention, or for coordination among corporations. The lecture will present the importance of market failures for understanding sustainability issues.

#### **Required Readings (49)**

Hartman, Laura, Joseph DesJardins and Chris MacDonald (2008), *Business Ethics: Decision-Making for Personal Integrity and Social Responsibility*, Columbus, The McGraw-Hill Companies, chapter 9 'Business, The Environment and Sustainability', 369-417 Available on the elearning platform

#### **Complementary Readings**

Bromley, Daniel W. (2007), 'Environmental Regulations and the Problem of Sustainability: Moving Beyond "Market Failure"', *Ecological Economics*, 63(4): 676-683 Please search by title: Environmental Regulations and the Problem of Sustainability in EBSCO Econlit. PLEASE NOTE: EBSCO will forward to Science Direct to download the article. YOU MUST BE ON THE SSE RIGA NETWORK TO ACCESS SCIENCE DIRECT!

Hardin, Garrett (1968), 'The Tragedy of the Commons', *Science*, 162(3859): 1243-1248 <http://science.sciencemag.org/content/162/3859/1243.full>

Kibert, Charles J., Leslie Paul Thiele, Anna L. Peterson and Martha C. Monroe, (2012), *The Ethics of Sustainability*, chapter 1, Available on the elearning platform

#### **Public Lecture**

#### **Public Lecture**

	<p><b>INDIVIDUAL CASE STUDY</b></p> <p>The final case study will be posted on week 35 on the e-learning platform. It might include questions on the course content and readings. The length of the work will be ca. 5-6 pages.</p>
<p><b>Structure and Format</b></p>	<p><b>IMPORTANT: No electronic devices are allowed in the classroom. All computers, tablets and phones should be stored in bags. Any violation of the rule will lead to immediate exclusion or/and points withdrawn on the final grade.</b></p> <ul style="list-style-type: none"> <li>- lectures (6 x 90 min).</li> <li>- seminar (1x 60 min).</li> <li>- public lectures (2x120 min).</li> <li>-independent study of the materials posted on the course home page on the eLearning platform.</li> <li>-short case study + questions on the readings on September 1<sup>st</sup>. This work is strictly individual.</li> <li>-final case study + questions on the readings. This work is strictly individual.</li> </ul>
<p><b>Literature and other resources</b></p>	<p>Course material for each session is indicated in the “Content” section above.</p> <p><b>Online Resources</b></p> <p>The Business Ethics Blog (Chris MacDonald): <a href="https://businessethicsblog.com">https://businessethicsblog.com</a> (free access)</p> <p>Ethics for Adversaries Blog (Wayne Norman): <a href="https://ethicsforadversaries.com">https://ethicsforadversaries.com</a></p> <p>Business Ethics Journal Review: <a href="https://businessethicsjournalreview.com">https://businessethicsjournalreview.com</a> (free access)</p> <p>Journal of Business Ethics: <a href="http://link.springer.com/journal/10551">http://link.springer.com/journal/10551</a></p> <p>Business Ethics Quarterly:  <a href="http://journals.cambridge.org/action/displayJournal?jid=BEQ">http://journals.cambridge.org/action/displayJournal?jid=BEQ</a></p> <p><b>Additional Readings</b></p> <p>Arrow, Kenneth J. (1973), ‘Social Responsibility and Economic Efficiency’, <i>Public Policy</i>, 21: 303-317 Available on the elearning platform</p> <p>Beauchamp, Tom L. (2003), ‘The Nature of Applied Ethics’, in R.G. Frey and Christopher Heath Wellman (eds.), <i>A Companion to Applied Ethics</i>, Blackwell, 1-16. Available on the elearning platform</p> <p>Rachels, James and Stuart Rachels (2012), ‘What is Morality?’ in James Rachels and Stuart Rachels, <i>The Elements of Moral Philosophy</i>, New York, McGraw-Hill, 7<sup>th</sup> edition, chapter 1, 1-13 Available on the elearning platform</p> <p>Alexander, Larry and Michael Moore (2012), ‘Deontological Ethics’, <i>Stanford Encyclopedia of Philosophy</i> <a href="http://plato.stanford.edu/entries/ethics-deontological/">http://plato.stanford.edu/entries/ethics-deontological/</a></p> <p>Hursthouse, Rosalind (2012), ‘Virtue Ethics’, <i>Stanford Encyclopedia of Philosophy</i>, <a href="http://plato.stanford.edu/entries/ethics-virtue/">http://plato.stanford.edu/entries/ethics-virtue/</a></p> <p>Sinnott-Armstrong, Walter (2015), ‘Consequentialism’, <i>Stanford Encyclopedia of Philosophy</i>, <a href="http://plato.stanford.edu/entries/consequentialism/">http://plato.stanford.edu/entries/consequentialism/</a></p>
<p><b>Learning Outcomes</b></p>	<p>During the course, students will acquire the basic knowledge about business ethics and learn how to apply such knowledge to case studies. The main learning outcome is to develop students’ critical thought in an autonomous and collaborative manner. In sum, the learning outcomes are:</p> <ul style="list-style-type: none"> <li>Identify the specificity of ethical thinking</li> <li>Build a coherent argumentation</li> <li>Use theoretical resources for strengthening the argumentation</li> <li>Understand the main ethical dimensions of sustainability issues</li> <li>Apply their knowledge in real world situations</li> </ul>
<p><b>Attendance</b></p>	<p><b>Attendance is compulsory. Each absence will be sanctioned by a 10 point penalty on the final grade, except if justified by a doctor’s note or any proof of force majeure. Justified or not, more than three absences lead to failing the course.</b></p>



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**Requirements  
and Grading**

Total score for the course consists in 200 points dispatched as follows

- Mid-term assignment (1): 60 points
- Final case study: 140 points

For passing the course, students need to get a minimum of 100 points overall.

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## 12. Introduction to Entrepreneurship

<b>Course Director</b>	Kristis Avots, Visiting Lecturer <a href="mailto:kristis.avots@sseriga.edu">kristis.avots@sseriga.edu</a>
<b>Department</b>	Business and Management
<b>Lecturer(s)</b>	Andrejs Strods, Visiting Lecturer <a href="mailto:andrejs.strods@sseriga.edu">andrejs.strods@sseriga.edu</a>
<b>ECTS Credit Points</b>	<b>1,5 ECTS</b> ; core course
<b>Course Prerequisites</b>	N/A
<b>Research skills needed and developed</b>	Participants will apply both quantitative (surveys) and qualitative research skills (user interviews) as well as desk research practice
<b>IT-skills needed</b>	Basic
<b>Related Courses</b>	Marketing, Start-up Accelerator
<b>Students eligible</b>	Year 1 and exchange students, as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	The Introduction to Entrepreneurship is a four boot camp type course that focuses on application of Lean startup methodology to solve global challenges. The course will equip participants with the basic understanding of tools to identify customer pains, design a value proposition to an intended product or service, develop, test and iterate business models and present the business idea to a wider audience. The course has a highly intensive pace and tight milestones that will require a tight-knit teamwork to deliver the expected results. In addition, a number of guest lecturers and on-site coaches will support the teams in their journey; thus, the participants will be acquainted with the mentor – team dynamics that are common in nowadays technology startup area.
<b>Content</b>	<p>The following topics will be covered in the boot camp:</p> <ul style="list-style-type: none"> <li>- Sharing entrepreneurial experiences with experienced startup founders;</li> <li>- Team formation, responsibility split;</li> <li>- Customer problem interviews;</li> <li>- Value proposition design;</li> <li>- Business model development;</li> <li>- Market size estimation;</li> <li>- Go to market strategy;</li> <li>- Startup lifecycle – roadmap planning &amp; KPIs;</li> <li>- Pitching business ideas to investors.</li> </ul> <p>The participants should be aware of the high-intensity pace and workload during the days of course.</p>
<b>Structure and Format</b>	<p>Given the intensity of the course the participants will work in teams of 4 and further divided into 5 cohorts (seminar groups) each headed by an experienced coach and a TA to support the teams during teamwork sessions with advice and guidance.</p> <p>The general structure of the course through-out the 2.5 days is the following –</p> <ul style="list-style-type: none"> <li>- A progress checkpoint in the morning</li> <li>- A short lecture on the respective tool (30”) followed by 45” – 1h teamwork to shape the business idea using given tools.</li> <li>- The scheduled activities will take place from 8am until 8pm with additional deliverables for the afterhours.</li> </ul>
<b>Literature and other resources</b>	<p>The course materials will be distributed in class; some of the curricula is based upon:</p> <p><i>Bernarda and Smith (2014) Value Proposition Design: How to Create Products and Services Customers Want, published by John Wiley &amp; Sons;</i></p> <p><i>Osterwalder and Pigneur (2013) Business Model Generation: A Handbook for Visionaries, Game</i></p>

	<i>Changers, and Challengers, published by John Wiley &amp; Sons.</i>
<b>Learning Outcomes</b>	<ol style="list-style-type: none"> <li>1. Build awareness of Entrepreneurship as a lifestyle that comprises mindset, attitude and ability to get things done.</li> <li>2. Learn about the ways to find inspiration, generate ideas and spot opportunities.</li> <li>3. Turn ideas into real value propositions and business models.</li> <li>4. Learn how to assess the ideas as business opportunities.</li> <li>5. Train your pitching skills in front of investors.</li> <li>6. Understand the logic of enterprise development life cycle. Learn the key steps of starting a business and get familiar with the sources of advice, support and funding available for new companies.</li> <li>7. Experience teamwork under harsh dynamics and learn to get the most out of your team.</li> </ol>
<b>Attendance</b>	Mandatory lectures and in-class teamwork sessions; missed classes have to be cleared with the Academic department.
<b>Electronic Devices Policy</b>	Not allowed in lectures, allowed in teamwork sessions
<b>Requirements and Grading</b>	<p>Students need to get 100 points to get a passing grade.</p> <p>The course grade will consist of:</p> <ul style="list-style-type: none"> <li>- 4 daily assignments to be delivered as a group (4x20%)</li> <li>- Final project work presentation 20%</li> </ul> <p>Bonuses &amp; penalties:</p> <ul style="list-style-type: none"> <li>- Best performing teams in the final presentations will be awarded with up to 10% bonus</li> <li>- Inactivity in class or teamwork – 10% penalty. Lecturers and coaches will use a two-card system to indicate that a more proactive engagement is expected – where a participant will get a yellow-card – warning for the first time, followed by a red-card – a deduction of 20 points of the grade if the engagement is not improving.</li> </ul>

## 13. Marketing

<b>Course Director</b>	<b>Marius Raugalas</b> , Visiting Lecturer, <a href="mailto:marius.raugalas@sseriga.edu">marius.raugalas@sseriga.edu</a>				
<b>Department</b>	Business and Management				
<b>Lecturer(s)</b>	Marius Raugalas, <a href="mailto:marius.raugalas@sseriga.edu">marius.raugalas@sseriga.edu</a> + Guest lecturers (TBC)				
<b>ECTS Credit Points</b>	<b>4,5 ECTS</b> ; core course				
<b>Course Prerequisites</b>	None				
<b>Research skills</b>	Developed basic research skills: Company, Customer & Competitor research				
<b>IT-skills needed</b>	Basic (Word and PowerPoint)				
<b>Related Courses</b>	Previous: Introduction to Entrepreneurship; Upcoming: Economic and Consumer Psychology, Market Research, Strategy				
<b>Students eligible</b>	Year 1 and exchange students, as well as debtors from previous study years				
<b>Introduction (Course objectives)</b>	This is an introductory marketing course designed to provide students with basic knowledge and tools required for successful marketing audit and strategy formulation.				
<b>Content</b>	Key topics covered: Marketing Planning and Strategy, Segmentation and Targeting, Market Research, Customer Management and Value, Product and Brand management, Pricing and Channel Strategies, Marketing Communications, Digital Marketing.				
<b>Structure and Format</b>	6 core lectures and 6 case study discussion seminars (split into two groups), supplemented by assigned online readings posted on e-learning, a group marketing plan assignment and presentation, marketing simulation game and a final written exam.				
<b>Literature and other resources</b>	Harvard Business Publishing online readings and case studies, published on e-learning.				
<b>Learning Outcomes</b>	Solid understanding of key marketing concepts and frameworks; ability to undertake a marketing audit and to write a strategic marketing plan.				
<b>Attendance</b>	Attendance is mandatory for all lectures, seminars and the marketing simulation game. Students are allowed to miss no more than two lectures and one seminar.				
<b>Electronic Devices Policy</b>	Laptops and tablets only allowed for seminars, but not lectures (except for taking notes).				
<b>Requirements and Grading</b>	<b>Deliverable</b>	<b>Type</b>	<b>Grade</b>	<b>Size</b>	<b>Deadline</b>
	Seminar participation	Individual	10%	N/A	N/A
	Case reports (x5)	Group	10%	1 page each	23:59 day before
	Final written exam	Individual	40%	3 hours	3 <sup>rd</sup> May 9:00
	Marketing plan	Group	30%	~2k words	13 <sup>th</sup> May 23:59
	Plan presentation	Group	10%	10 slides	14 <sup>th</sup> May 13:15
	Digital exam with a case study given at the beginning and open-ended questions linked to the case as well as various concepts from the course lectures and readings.				
	In order to pass, students are required to get a passing grade for the final exam and the group marketing plan as well as to comply with the course attendance policy.				

## 14. Economic and Consumer Psychology

<b>Course Director</b>	<b>Reinson Heidi</b> , Visiting Lecturer heidi.reinson@sseriga.edu
<b>Department</b>	Business and Management
<b>Lecturer(s)</b>	Heidi Reinson
<b>ECTS Credit Points</b>	<b>3 ECTS</b> ; core course
<b>Course Prerequisites</b>	Marketing (Y1)
<b>IT-skills needed</b>	Word and PowerPoint for team assignments
<b>Related Courses</b>	Marketing, Anthropology, Market Research, Research Methods
<b>Students eligible</b>	Year 2 and exchange students, as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	The purpose of the course is to give students a broad understanding of decision-making processes – how different internal/external factors influence our daily judgment, behaviour, and purchasing decisions. This course is not only about marketing but also human decision making in general, so it relevant for all students, regardless of the career aspirations one might have.
<b>Content</b>	<p>The first half of the course will be covering the theoretical background of judgment and decision making, while the second half is focusing on the specific applications (brands, advertising, pricing, etc.), with cross-referencing between the lectures. Here is (non-exhaustive) list of the main concepts and terms covered:</p> <ul style="list-style-type: none"> <li>- What influences consumer behaviour?</li> <li>- The difficulty of mapping consumer preferences</li> <li>- System 1 (automatic) and System 2 (reflective)</li> <li>- Cognitive biases and heuristics</li> <li>- The MINDSPACE framework of behaviour change (Messenger, Incentives, Norms, Defaults, Salience, Priming, Affect, Commitments, Ego)</li> <li>- Embodied cognition</li> <li>- Cialdini's 6 principles of persuasion</li> <li>- What is rationality? Bounded rationality</li> <li>- How do people assess value?</li> <li>- Opportunity cost neglect</li> <li>- Mental accounting</li> <li>- Prospect theory (absolute vs. subjective value)</li> <li>- Endowment effect</li> <li>- Bonus: Behavioural Finance</li> <li>- Emotions and their role in decision making</li> <li>- Brands and brains (Long-term Potentiating, LTP)</li> <li>- Consumer goals/needs</li> <li>- Psychology of advertising</li> <li>- Attention and memory</li> <li>- Implicit learning</li> <li>- Neuromarketing research</li> <li>- Shopper behaviour (in-store)</li> <li>- Psychology of prices (price-value associations, decoy pricing, bundling, €9.99, Free)</li> <li>- Trends in consumer behaviour</li> </ul>
<b>Structure and Format</b>	<ul style="list-style-type: none"> <li>- Lectures (10 x 90 min)</li> <li>- Seminars (3 x 60 min)</li> <li>- Independent study of the materials posted on the course home page on the e-learning platform</li> </ul>

	<ul style="list-style-type: none"> <li>- Three (3) thematic assignments for the seminars</li> <li>- Final exam</li> </ul>
<b>Literature and other resources</b>	<ul style="list-style-type: none"> <li>- Caldwell, L. (2012). The Psychology of Price: chapter 12</li> <li>- Duhigg, C. (2012). The power of habit</li> <li>- Griskevicius, V., et al. (2009). Fear and Loving in Las Vegas</li> <li>- Heath, R., Brandt, D., &amp; Nairn, A. (2006). Brand relationships</li> <li>- Kahneman, D. (2011). Thinking, Fast and Slow</li> <li>- Ly, K. et al (2014) A Practitioner's Guide to Nudging</li> <li>- Poundstone, W. (2010). Priceless</li> <li>- Schwartz, B. (2000). Self-determination – The tyranny of freedom</li> <li>- Thaler, R. H. (2015). Misbehaving: The making of behavioral economics</li> <li>- Wilson, T, &amp; Gilbert, D. (2005). Affective forecasting + a few videos and newspaper articles</li> </ul> <p>See the separate reading list for full titles and details about finding the papers. Most of the articles and scanned book chapters are uploaded on the eLearning platform. You will be required to read only one or a few chapters from the books listed above. Page numbers will be confirmed in the beginning of the course. Course Director has the right to add titles during the course, while not extending the overall workload.</p>
<b>Learning Outcomes</b>	Understanding of key concepts in consumer psychology, ability to discuss factors influencing consumer behaviour and decision-making processes. Overview of the relevant literature in the related disciplines.
<b>Attendance</b>	<p><b>Lectures:</b> Attending the lectures is not mandatory but missing a lecture means minus 2 points from the overall grade (-3 points in case of guest lectures). This is in fact not a very harsh punishment (just -1%) and can easily be made up by doing well in the exam and group assignments. As it is very difficult to draw the line between “good” and “not so good” excuses, the - 2 points rule applies for all cases except if you have an official doctor’s note.</p> <p><b>Seminars:</b> All students must individually read the course materials (book chapters, articles, lecture slides), prepare for each seminar in their teams, and attend all three seminars. All groups have to submit their work by the deadline which is a day or a few days before the respective seminar. 5 pre-announced teams will be presenting (up to 7 minutes each) their analysis and answer questions. General discussion will follow the presentation and students are expected to actively participate based on their prior readings and work in groups. All students are expected to contribute equally to the group-based write-ups. NB! Missing a seminar means the absent student should finish the homework individually, i.e. prepare for the same assignment as others do in groups. All debt clearance has to be submitted by September 8 the latest.</p>
<b>Requirements and Grading</b>	<p>The final grade max 200 consists of:</p> <ul style="list-style-type: none"> <li>- 60% Exam (max 120 points)</li> <li>- 10% Class attendance (max 20 points, i.e. -2 points per missed lecture)</li> <li>- 10% Seminar 1 assignment (max 20 points)</li> <li>- 10% Seminar 2 assignment (max 20 points)</li> <li>- 10% Seminar 3 assignment (max 20 points)</li> </ul> <p>In order to pass the course, you have to pass the exam (i.e. get at least 60 points) as well as get a pass on the total grade (at least 100 points)!</p>

## 15. Management Accounting & Finance

<b>Course Director</b>	<b>Lublóy Ágnes</b> , Associate Professor agnes.lubloy@sseriga.edu
<b>Department</b>	Finance& Accounting
<b>Lecturer(s)</b>	Pajuste Anete, Associate Professor, anete.pajuste@sseriga.edu
<b>ECTS Credit Points</b>	<b>4,5 ECTS</b> ; core course
<b>Course Prerequisites</b>	Financial Accounting
<b>Research skills needed and developed</b>	Analytical skills, conceptual thinking
<b>IT-skills needed</b>	Excel
<b>Related Courses</b>	Financial Accounting, International Finance, Financial Economics, Accounting and Finance, Finance Specialization
<b>Students eligible</b>	Year 1 and exchange students, as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	The objective of the course is to deepen students' knowledge of financial statements, accounting standards and links between the financial reports. The course introduces the basic financial analysis techniques, as well as develops the student skills of using financial ratios for decision making. The course includes group accounting where students will consolidate financial accounts of groups. Finally, some basic budgeting will be introduced.
<b>Content</b>	The course will deal with the following accounting issues: <ul style="list-style-type: none"> <li>– Financial ratio analysis (operating profitability, efficiency, financial leverage, liquidity)</li> <li>– Consolidated accounts</li> <li>– Cash flow statement</li> <li>– Equity and issues of shares</li> <li>– Budgeting and budgetary control</li> </ul>
<b>Structure and Format</b>	Lectures (12 x 90 min) Guest lectures (2x90 min) Seminars (11 x 90 min), group of 30-40 students Group project (written report)
<b>Literature and other resources</b>	Textbook Frank Wood's Business Accounting 2, 10th edition, 2005, London, Prentice Hall. Relevant chapters from the textbook: <ul style="list-style-type: none"> <li>– Three financial statements – Chapters 11, 12, 14, 7, 8</li> <li>– Financial ratio analysis – Chapters 27, 28</li> <li>– Group accounting – Chapters 16-26</li> <li>– Equity and issue of new shares – Chapters 4, 5, 9</li> <li>– Budgeting and budgetary control – Chapters 38-40</li> </ul> Orbis and Thomson Reuters databases.
<b>Learning Outcomes</b>	After completion of the course, students shall be familiar with the provisions and use of accounting information to managers within organizations, to provide them with the basis to make informed business decisions that will allow them to be better equipped in their management and control functions. Students shall also gain practical knowledge in evaluating the financial performance of a company, through calculating the key ratios, providing a thorough analysis of the company by benchmarking it to the industry peers and making recommendations on the overall performance of the company and areas for

	improvement.
<b>Attendance</b>	Not mandatory (neither lectures, nor seminars).
<b>Electronic Devices Policy</b>	Electronic devices are not allowed neither during lectures nor during seminars.
<b>Requirements and Grading</b>	Group project (20%); Deadline for submission: 14-June-2019 Written exam (80%); Exam date: 20-June-2019; Re-exam date: 13-Aug-2019. In order to pass the course at least 100 points out of 200 are needed. Besides, it is necessary to pass the exam.



## 16. Human Resource Management

Course Director	Gleizdāne Inga, Lecturer inga.gleizdane@sseriga.edu
Department	Business and Management
Lecturer(s)	
ECTS Credit Points	4,5 ECTS; core course
Course Prerequisites	
Research skills needed and developed	Critical thinking, problem solving, self-awareness, receiving and providing feedback, decision making, presentation skills.
IT-skills needed	Word, PPT.
Related Courses	Organization & Management, Strategy
Students eligible	Year 2 and exchange students, as well as debtors from previous study years
Introduction (Course objectives)	<p>The main objective of the course is to <b>introduce students to Human Resource Management (HRM) processes and approaches</b>, show their link with business strategy, explore how with appropriate HRM activities one can affect the performance of the employees and organization overall.</p> <p>Another goal is to <b>encourage and train students in applying the gained knowledge</b> throughout different positions in their future life (e.g. the top management member, manager of a team, team member, project manager, entrepreneur, subordinate).</p> <ul style="list-style-type: none"> <li>- Third goal is to provide students with <b>an opportunity to develop their skills</b> and self-awareness that will help them to be more successful in their future jobs by using different learning techniques (e.g. case discussions, peer evaluation and feedback, try-out job interview, personality tests, oral individual examination).</li> </ul>
Content	<p>The course aims to provide knowledge as well as develop student competency in order to analyze and select and/or develop the most appropriate HRM approaches to achieve set goals.</p> <p>The HRM topics covered:</p> <ul style="list-style-type: none"> <li>- HR strategy, HR relation to business goals</li> <li>- Recruitment (hiring, attracting, headhunting, selection, talent pools)</li> <li>- Performance management system, appraisal process (KPI's, Balanced Scorecard, Management by objectives)</li> <li>- Reward (monetary, non-monetary, compensation systems)</li> <li>- Motivation, engagement</li> <li>- Learning and Development (competency assessment, development), talent management</li> </ul> <p>Culture, generation similarities and differences</p>
Structure and Format	<ul style="list-style-type: none"> <li>- Lectures (13 * 90 min), reading prior to the lectures is required. 4-6 guest speakers invited</li> <li>- Seminars – (4 * 45 min) case analysis discussions, groups of 40 or 60 students</li> <li>- Reading and video materials posted on the e-learning platform or from</li> </ul>

	<p>databases (on 2-3 per lecture)</p> <ul style="list-style-type: none"> <li>- Internship reflection report and peer evaluation</li> <li>- Tests regarding competencies, personality traits</li> <li>- 1-2 case write-ups</li> <li>- Course project, reflection report and peer evaluation</li> <li>- Optional: job interview try-out, mandatory: observation and reflection.</li> </ul> <p>Oral exam – presentation of a case study analysis</p>
<b>Literature and other resources</b>	Articles related to Human Resource management field and 3 case studies.
<b>Learning Outcomes</b>	<ul style="list-style-type: none"> <li>- <b>Identify and understand HR processes</b>, understand how they are linked to other business processes.</li> <li>- <b>Propose</b> theory-based and best practice-based solutions of how HR processes and approaches can be improved/developed to achieve better results for the stakeholders;</li> </ul> <p><b>Practically</b> analyze and solve HRM challenges.</p>
<b>Attendance</b>	Attendance of the lectures and seminars is mandatory. Students are allowed to miss one seminar or lecture.
<b>Requirements and Grading</b>	<p><b>Individual assignments</b> - 45% (Internship task 10%, case write up 15%, attendance and participation 20%)</p> <p><b>Group assignment</b> - 30%</p> <p><b>Final exam</b> - 25%</p> <p><b>Requirements to pass:</b> 100 points in total and at least half of the points in each of the sections (individual, group and final exam).</p>

## 17. International Finance

Course Director	Ágnes Lublóy, Associate Professor agnes.lubloy@sseriga.edu
Department	Finance & Accounting
Lecturer(s)	Lubloy Agnes, Associate Professor agnes.lubloy@sseriga.edu
ECTS Credit Points	<b>4,5 ECTS</b> ; core course
Course Prerequisites	Statistics, Managerial Economics
Research skills needed and developed	Analytical skills, conceptual thinking
IT-skills needed	Excel
Related Courses	Statistics, Managerial Economics, Macroeconomics, Management Accounting and Finance, Econometrics Financial Economics, Accounting and Finance, Finance Specialization
Students eligible	Year 2 and exchange students, as well as debtors from previous study years
Introduction (Course objectives)	The objective of the course is to introduce students to several key concepts in international finance. The course covers several financial management dimensions of leading a multinational enterprise. In particular, the course aims to: <ul style="list-style-type: none"> <li>- provide students with a basic knowledge of how international financial markets work</li> <li>- provide students with an understanding of exchange rates</li> <li>- explore instruments and methods used to manage exchange rate risk in the global markets.</li> <li>- provide an in-depth understanding of the process and techniques used to make international investment decisions.</li> </ul>
Content	<p><b><i>I. Global Financial Environment</i></b> The first part of the course provides an introduction to the global financial environment by discussing the international financial markets, and the motives and risks of multinational enterprises. The characteristics and the major transactions of foreign exchange markets are also discussed briefly. Finally, international parity conditions are covered, the economic theories linking exchange rates, price levels, and interest rates are explained.</p> <p><b><i>II. Managing exchange rate risk exposure</i></b> The second part of the course deals with the concept of risk management of exchange rate risk exposure. The rationale for risk management and various types of foreign exchange exposure are reviewed. Financial instruments available in international financial markets for hedging purposes are covered in detail, instruments such as currency forwards, currency futures, currency options and swaps are discussed.</p> <p><b><i>III. International investment decisions</i></b> The third part of the course covers capital budgeting in general and from multinational perspective. International diversification as a risk management technique is discussed as well.</p>
Structure and Format	Lectures (11 x 90 min) Guest lectures (2x45 min) Seminars (9 x 90 min)
Literature and	Textbook: Moffett M., Stonehill A., and Eiteman D.: <i>Fundamentals of Multinational</i>

<b>other resources</b>	<i>Finance</i> , Pearson Education, 3rd edition, 2009. Selection of quantitative problem sets from the textbook (with solutions). 8-10 journal articles from the field of international finance.
<b>Learning Outcomes</b>	After completion of the course, students shall be familiar with the characteristics of foreign exchange markets and international parity conditions; conceptually understand exchange rate risk exposure; describe the instruments of currency forwards, futures, options and swaps; utilize financial instruments to hedge exchange rate risk exposure; perform a capital budgeting analysis to evaluate international projects; and understand the impact of international diversification on portfolio risk.
<b>Attendance</b>	Not mandatory (neither lectures, nor seminars).
<b>Electronic Devices Policy</b>	Electronic devices are not allowed neither during lectures nor during seminars, except for Seminar 8.
<b>Requirements and Grading</b>	Written exam (100%), 28 September 2018

## 18. Econometrics

Course Director	<b>Konstantins Benkovskis</b> , Associate Professor, konstantins.benkovskis@sseriga.edu
Department	Economics
Lecturer(s)	<b>Konstantins Benkovskis</b> (lectures and seminars), Associate Professor, konstantins.benkovskis@sseriga.edu <b>Nicolas Gavoille</b> (seminars), Assistant Professor, nicolas.gavoille@sseriga.edu
ECTS Credit Points	<b>7,5 ECTS</b> ; core course
Course Prerequisites	The course uses tools developed in <b>Mathematics from Year1</b> (in particular differentiation and matrix calculus) In addition, this course requires <b>understanding of statistics</b> . Although the course includes the introductory part, it is recommended to refresh <b>Economic Statistics from Year 1</b> , especially focusing on Chapters 6 and 9 of "Statistics for Business & Economics" by Paul Newbold
Research skills needed and developed	The course develops the ability to understand and critically evaluate the empirical studies in economics and related fields. Moreover, the course provides some basic technical skills for the empirical analysis of economic data using professional econometric software (STATA)
IT-skills needed	This course requires <b>no prior knowledge</b> in any statistical software or programming skills. However, some prior knowledge of Stata is an asset
Related Courses	<b>Previous courses:</b> Mathematics (Year 1), Economic Statistics (Year 1) <b>Upcoming courses:</b> International Economics (Year 2), Financial Economics (Year 2), Market Research (Year 2), Research Methods for Bachelor Thesis (Year 2), Specialisation: Economics (Year 3)
Students eligible	Year 2 and exchange students, as well as debtors from previous study years
Introduction (Course objectives)	This course introduces students to econometrics that, literally interpreted, means "economic measures". Econometrics is a mixture of economic theory, mathematical economics, economic statistics, and mathematical statistics. Economic theory makes statements that are usually qualitative, but the theory itself does not provide any numerical outcomes. It is <b>the job of econometrician to confront the theory to data and to provide numerical estimates</b> . The objective of the course is twofold. First, serious economic literature is unthinkable without considering results of empirical studies. The course will teach students <b>how to understand and critically evaluate the empirical studies in economics and related fields</b> . Although most of students will be the consumers of econometric and statistical information in their professional life, the deep understanding of econometrics is not possible without "putting hands on the data". The second goal of the course is <b>to provide some basic technical skills for the empirical analysis of economic data</b> . These skills will be also useful for writing your Bachelor Thesis. Accordingly, the emphasis is on empirical applications and the use of econometric software (STATA).
Content	<b>Topic 1: Introduction to econometrics</b> <b>Topic 2: Review of statistics</b> - Random variables and probability distributions - Two random variables - Random sampling - Population mean: estimation and hypothesis testing <b>Topic 3: Linear regression with one regressor</b> - Linear regression model - Estimating the coefficients of the linear regression model: ordinary least squares

(OLS)

- OLS assumptions
- Measures of fit
- Dummy variables
- The sampling distribution of the OLS estimators: testing hypotheses and confidence intervals for coefficients
- Heteroskedasticity versus homoscedasticity

**Topic 4: Linear regression with multiple regressors**

- Omitted variable bias
- Multiple regression model
- OLS estimation in multiple regression
- Measure of fit
- Least Squares assumptions
- Multicollinearity
- Distribution of the OLS estimators
- Hypothesis tests and confidence intervals for a single coefficient
- Tests of joint hypotheses
- Model specification

**Topic 5: Nonlinear regression functions**

- Nonlinear functions of a single independent variable
- Interactions between independent variables

**Topic 6: Internal and external validity**

- External validity and threats to external validity
- Internal validity and threats to internal validity
- Simultaneous causality

**Topic 7: Instrumental variables (IV) regression**

- Correlation between explanatory variable and error: omitted variables
- Instrumental variables: main idea
- IV estimator with a single regressor and a single instrument
- General IV regression model
- Tests for the instruments

**Topic 8: Regression with binary dependent variables**

- Binary data
- Linear probability model
- Probit regression
- Logit regression
- Marginal effects
- Maximum likelihood estimation

**Topic 9: Heckman model**

- Selection bias
- Incidental truncation
- Heckman selection model

**Topic 10: Regression with panel data**

- Problems with cross-section data
- Omitted variables
- Panel data
- First differenced regression
- Fixed effects regression

**Topic 11: Introduction to time series econometrics**

- Introduction to time series econometrics
- Autocorrelation

	<ul style="list-style-type: none"> <li>- Autoregression (AR), autoregressive distributed lag (ADL) models</li> <li>- Exogeneity</li> <li>- ARCH and GARCH models</li> </ul> <p><b>Topic 12: Vector autoregression models (VAR), forecasting</b></p> <ul style="list-style-type: none"> <li>- Vector autoregression (VAR) models</li> <li>- Forecasting with time series models</li> </ul> <p><b>Topic 13: Stationarity and cointegration</b></p> <ul style="list-style-type: none"> <li>- Stationarity, breaks, trends</li> <li>- Cointegration</li> <li>- Error correction models (ECM)</li> </ul>
<b>Structure and Format</b>	<ul style="list-style-type: none"> <li>- Lectures (28 x 90 min)</li> <li>- Seminars (14 x 90 min): problem sets in Stata – students will be split in two groups</li> <li>- Independent study of the materials posted on the course home page on the e-learning platform</li> <li>- Six thematic assignments</li> </ul>
<b>Literature and other resources</b>	<p>There are <b>two principal textbooks</b>:</p> <ul style="list-style-type: none"> <li>- James H. Stock and Mark W. Watson, "Introduction to Econometrics", Addison-Wesley, 2003</li> <li>- Wooldridge, J. M., "Introductory Econometrics. A Modern Approach", South-Western, Cengage Learning, 2013</li> </ul> <p>Empirical applications will require the <b>use of statistical software – STATA</b>, which is installed on most of the school's computers. You may also install STATA on your private laptop, if possible (you can purchase the software at <a href="http://www.stata.com">www.stata.com</a>).</p> <p>STATA reading:</p> <ul style="list-style-type: none"> <li>- Cameron, A.C., Triverdi, P. K. "Microeconometrics Using Stata", 2009</li> <li>- Newton, J.H., Cox, N.J. "Seventy-six Stata tips", 2009</li> <li>- Getting Started in Data Analysis using Stata, Princeton University, available at: <a href="http://dss.princeton.edu/training/StataTutorial.pdf">http://dss.princeton.edu/training/StataTutorial.pdf</a></li> </ul>
<b>Learning Outcomes</b>	<p>By the end of this course it is expected that the student will:</p> <ul style="list-style-type: none"> <li>- know the basic principles of econometric analysis;</li> <li>- be able to apply wide range of econometric techniques for the real-world data analysis using Stata software;</li> <li>- be able to understand and critically evaluate the empirical studies in economics and related fields</li> </ul>
<b>Attendance</b>	Attending lectures and seminars is not mandatory but highly recommended
<b>Requirements and Grading</b>	<p><b>Final exam</b> (50%)</p> <p><b>Midterm exam</b> (20%)</p> <p><b>Six assignments</b> (30%)</p> <p>Requirements for pass: <b>100 points in total AND at least 50% in final exam</b></p> <p><b>Debtors</b> are only required to pass the final exam and the midterm exam. Their exam grade will then be combined with their last assignment grades to determine the overall course grade. However, the assignments were not graded in 2013/2014 and 2014/2015, meaning that debtors from those years have to pass all assignments this year (if they did not pass assignments later). Debtors may also re-submit all their assignments, in case they lack points for the total pass</p>

## 19. International Economics

<b>Course Director</b>	<b>Konstantīns Beņkovskis</b> , Associate Professor konstantins.benkovskis@sseriga.edu
<b>Department</b>	Economics
<b>Lecturer(s)</b>	<b>Konstantīns Beņkovskis</b> , Associate Professor konstantins.benkovskis@sseriga.edu
<b>ECTS Credit Points</b>	<b>6 ECTS</b> ; core course
<b>Course Prerequisites</b>	Although the course is motivated by the aim of understanding past and current events in both the world economy and in the Baltic States, the principal means by which this will be realized is economic theory backed up by some empirical evidence. Thus we shall rely on formal economic modelling. This means extensively using tools from <b>Year 1 Microeconomics</b> . The level of mathematics is rather simple. But it might be wise to review the topic on derivatives, constrained optimization and other basic math concepts from <b>Year 1 Mathematics</b> . Also, prior knowledge of econometrics is required to understand some additional reading materials better
<b>Research skills needed and developed</b>	This course develops research skills based on <b>formal economic modelling</b> , and requires some abstract thinking
<b>IT-skills needed</b>	Some Stata skills from Econometrics (Year 2) would be required for the Assignment
<b>Related Courses</b>	<b>Previous courses:</b> Mathematics (Year 1), Microeconomics (Year 1), Macroeconomics (Year 1), Econometrics (Year 2) <b>Upcoming courses:</b> Specialisation: Economics (Year 3)
<b>Students eligible</b>	Year 2 and exchange students, as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	The course will examine the causes and consequences of international trade, as well as providing an analysis of trade policy. Questions addressed will include: <ul style="list-style-type: none"> <li>- Why do nations trade?</li> <li>- What goods and services do they trade?</li> <li>- Who gains from this trade?</li> <li>- Is free trade optimal?</li> <li>- Should countries intervene to influence the structure of their international trade?</li> </ul>
<b>Content</b>	<ol style="list-style-type: none"> <li><b>1. Introduction and overview of the world trade</b> <ul style="list-style-type: none"> <li>- What is International Economics about?</li> <li>- Important topics and structure of the course</li> <li>- World trade in goods and services</li> <li>- Baltic States trade in goods and services</li> <li>- Offshore outsourcing</li> <li>- Fragmentation of production and global value chains</li> </ul> </li> <li><b>2. Labour productivity and comparative advantage</b> <ul style="list-style-type: none"> <li>- Comparative advantage versus absolute advantage</li> <li>- Gains from trade</li> <li>- Determination of specialization, pattern of trade and prices</li> <li>- Comparative advantage with many goods</li> <li>- Empirical evidence</li> <li>- Some misconceptions about comparative advantage</li> </ul> </li> <li><b>3. Factor endowment and comparative advantage</b> <ul style="list-style-type: none"> <li>- Income distribution</li> <li>- Specific factors model</li> </ul> </li> </ol>



	<ul style="list-style-type: none"> <li>- Heckscher-Ohlin model</li> <li>- Stolper-Samuelson theorem</li> <li>- Rybczynski theorem</li> <li>- Empirical evidence</li> <li>- Summary for different time horizons</li> <li><b>4. The standard trade model</b></li> <li>- Key relationships</li> <li>- Welfare and terms of trade</li> <li>- Effects of economic growth</li> <li>- Effects of international transfers of income</li> <li>- Effects of import tariffs and export subsidies</li> <li><b>5. Economies of scale and imperfect competition</b></li> <li>- Economies of scale and international trade</li> <li>- Internal economies of scale</li> <li>- Imperfect competition and international trade</li> <li>- Intra- and inter-industry trade</li> <li>- External economies of scale</li> <li>- Dumping</li> <li><b>6. International factor movements and regional economic issues</b></li> <li>- International labour mobility</li> <li>- Regional economic issues</li> <li>- International borrowing and lending</li> <li>- Foreign direct investment and multinational firms</li> <li><b>7. The instruments of trade policy</b></li> <li>- Overview of trade policy instruments</li> <li>- Cost and benefit analysis</li> <li>- Import tariff</li> <li>- Export subsidies</li> <li>- Other instruments</li> <li><b>8. The political economy of trade policy</b></li> <li>- The case for free trade</li> <li>- Arguments against free trade</li> <li>- Income distribution and trade policy</li> <li><b>9. Trade policy and its controversies</b></li> <li>- Import-substituting industrialization</li> <li>- Export-oriented industrialization</li> <li>- Technology and externalities</li> <li>- Strategic trade policy</li> <li>- Globalization</li> <li><b>10. International negotiations and preferential trade agreements</b></li> <li>- Advantages of negotiations</li> <li>- World Trade Organization (WTO)</li> <li>- Preferential trade agreements</li> <li>- European Union</li> </ul>
<b>Structure and Format</b>	<ul style="list-style-type: none"> <li>- Lectures (14 x 90 min)</li> <li>- Seminars (7 x 90 min) – students will be split in two or three groups</li> <li>- Independent study of the materials posted on the course home page on the e-learning platform</li> <li>- Two thematic assignments</li> </ul>
<b>Literature and other resources</b>	<p><b>Krugman and Obstfeld "International Economics: Theory and Policy", Parts 1 and 2</b> (7th or 8th edition) is the main text for the course. In some lectures, materials</p>

	<p>from the 3rd edition will be used (these are no more present in later versions, but copies be available on the e-learning platform).</p> <p>The course intensively borrow some recent discussions and empirical findings from the <b>VOX CEPR's policy portal</b> (<a href="http://www.voxeu.org">www.voxeu.org</a>). These materials are usually very short (2-3 pages) and easy to read, although based on a serious academic research. Students are highly recommended to read articles and blogs on VoxEU regularly if interested in the overview of current economic thinking</p>
<b>Learning Outcomes</b>	<p>The expected <b>learning outcomes</b> are:</p> <ul style="list-style-type: none"> <li>- To develop an understanding of trade theories and their applicability to explaining trade patterns</li> <li>- To be able to make use of quantitative trade data to describe trade and to analyse trade policy</li> <li>- To develop an understanding of the intellectual and policy issues on the current international trade agenda</li> </ul>
<b>Attendance</b>	Attending lectures and seminars is not mandatory but highly recommended
<b>Requirements and Grading</b>	<p><b>Final exam</b> (60%)</p> <p><b>Two assignments</b> (40%)</p> <p>Requirements for pass: <b>100 points in total AND at least 50% in final exam.</b></p> <p><b>Debtors</b> are only required to pass the final exam. Their exam grade will then be combined with their last assignment grades to determine the overall course grade</p>

## 20. Market Research

<b>Course Director</b>	Kata Fredheim, PhD ; email: kata.fredheim@sseriga.edu, Zane Varpina, PhD Assistant Professor zane.varpina@sseriga.edu
<b>Department</b>	Business and Management
<b>Lecturer(s) and Teaching Assistants</b>	Konstantin Benkovskis, PhD Associate Professor, email: konstantins.benkovskis@sseriga.edu > Kata Fredheim, PhD Assistant Professor email: kata.fredheim@sseriga.edu>, Dominik Gerber, PhD , email: dominik.gerber@sseriga.edu> Xavier Landes, PhD Assistant Professor, email: xavier.landes@sseriga.edu> Christopher Rieber, Lecturer , email: christopher.rieber@sseriga.edu Zane Varpina, PhD Assistant Professor, email: zane.varpina@sseriga.edu
<b>ECTS Credit Points</b>	4,5 ECTS; core course 13 lectures and 4 seminars
<b>Research skills needed and developed</b>	A knowledge of basic to intermediate statistics and econometrics and familiarity with STATA or similar software is necessary. A familiarity with research approaches is beneficial. IT
<b>IT-skills needed</b>	STATA, Excel, Power BI, Powerpoint or some other similar presentation software.
<b>Related Courses</b>	Organizational management, Economic and Consumer Psychology, Statistics, Econometrics, Economic Anthropology, Research Methods and the year 3 bachelor theses.
<b>Students eligible</b>	Year 2 and exchange students, as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	This course provides an introduction to market research, and discusses key concepts, methods, issues and their applications. Students gain an understanding of both the depth and the breadth of market research. Students also understand the subject's importance for a business, whether a start-up or an established company
<b>Content</b>	Students will explore the relevance of market research through seven horizontal themes, each student will be assigned to one theme. The themes are: (1) Sustainability , (2) New Technologies, (3) Transport and logistics, (4) Health, Well-being, Happiness, (5) Finance, (6) Education and skills, (7) Data and privacy. Students will explore challenges and opportunities in these themes with (1) professionals who work and started businesses, (2) policy makers who are thinking about how to tackle these challenges and (3) researchers who are experts in the field. Working with real-life problems brought forward by real businesses, students will develop the capability to plan and manage market research projects. In addition to an overview of market research, the course has a methods component. It covers research design, including qualitative and quantitative methods used for analyzing research data to make decisions. By the end of the course students will be able to use the most common market research tools and conduct data analysis with ease.
<b>Structure and Format</b>	DETAILED COURSE STRUCTURE Part 1: Introduction to Market Research In this part of the course, students will have the opportunity to learn: Lecture 1 (2x 45min) Introduction to Market research - Details about this course - What is market research - Why market research matters - How is it useful for SSE-R students' career Panel session Introduction to themes This course will cover seven themes. For each theme you will have the opportunity to meet experts and business leaders and learn about real questions and problems they face as well as their industry.

Part 2: Market research and qualitative methods In this part of the course, students will have the opportunity to learn:

Lecture 1 (2x 45 min) Qualitative research 101

- What is qualitative research - How does qualitative research differ from quantitative research - What are the types of qualitative research methods - How to decide which qualitative research method to use

Lecture 2 (1x 45 min) Secondary research basics

- What is already out there - How to use what's already out there

Lecture 3 (3x 45 min) Interviews and focus groups Seminar 1 (3\*45 min): Practice session

- How to design qualitative instruments for interviews and focus groups - How to recruit participants for interviews and focus groups - How to write questions for interviews and focus groups - How to use prompts How to keep discussions and interviews moving - What is the role of the moderator (moderator guide) - What is the role of the interviewer - How to ensure participants turn up and participate
- Recording audio, video, and notes - Ethics, anonymity, confidentiality

Lecture 4 (1x45 min) Organizing and analyzing data

- How to organize data - How to analyze data - How to transcribe your data and notes
- How to analyze interview data and notes - How to write focus group reports - How does the information you found relate to quantitative data

Lecture 5 (45 min) Qualitative vs quantitative

- How to navigate the qualitative and quantitative divide

Part 3: Market research and quantitative methods Part 3 of the course is divided into two sections. Part 3 / B will cover surveys; Part 3 / A will cover Quantitative methods of market research using STATA.

Part 3 /A: Quantitative methods of market research using Stata In this part of the course students will have the opportunity to learn: Lecture 6 (4\*45 min) Lecture 7 (4\*45 min) Seminar 2 (2\*45 min) Lecture 8 (4\*45 min) Seminar 3 (2\*45 min) ANOVA Exploratory factor analysis ANOVA and Exploratory factor analysis Confirmatory factor analysis Confirmatory factor analysis Part 3 /B: SURVEYS In this part of the course students will have the opportunity to learn: Lecture 9 ( 3x45 min) Designing Surveys

- What are the objectives - What types of surveys are there, how to select most appropriate - How to delineate the market segment - What are the most common survey pitfalls - How to design survey instrument - Sampling – sample frame, sample size, sampling strategies - Response rate and addressing nonresponse - Technical implementation - piloting, translation, ethical issues Lecture 10 ( 3x45 min) Analyzing Surveys - Preparing data for analysis (cleaning, coding) - Common survey errors - Analyzing survey to test your hypotheses : descriptive, inferential, association and causal analysis of data Lecture 11 ( 2x45 min) Interpreting results - Reflect on approaches to analyzing your data - What are your results and how to interpret them

Part 4: Finding and communicating insight In this part of the course students will learn: Lecture 12 (2x45 min) : Turning data to insight

Communicate your insight

- How to synthesize findings - How to get insights from data that will solve a business problem
- How to develop research-based recommendations - How to test and refine your ideas before creating a presentation

Lecture 13 ( 2 x45 min) Data visualization Seminar 4 Data visualisation Practice

- What are the appropriate data visualization techniques - How to get the most out of data visualization

**Literature and other resources**

TBA

**Learning**

In this course you will: - Learn about market research and write a market report -

<b>Outcomes</b>	Gain first-hand experience in developing a piece of original research - Apply different qualitative and quantitative methods - Gain insight into a specific field (see list) Improve your negotiation, analytical and communication skills Gain experience with working with real businesses on real problems
<b>Attendance</b>	Attendance of lectures is not mandatory. Attendance of seminars is not mandatory.
<b>Electronic Devices Policy</b>	Strictly no phones / tablets/ laptops during lectures. Only if specified before.
<b>Requirements and Grading</b>	Exam covers reading and lecture materials - 30% Market research report You will have the opportunity to write a market research report. You will work in teams of four. You will be allocated a theme in the beginning of the course. Firstly, you will identify a market research question based on the panel with experts and the interviews/ focus groups you conduct. Secondly, you will sketch out what questions you would like to include in the survey. You will then negotiate with all teams working in the same theme to develop a shared survey. Thirdly, you will collect survey data based on the survey you agreed on. You can do this in person or online. All teams with the same theme will work together to collect data. Since it will be approximately 20 people collecting data (5 teams) the target is 1000 participants. Fourthly, you team analyses the data to answer your research question. After that you may choose to do a focus group session to confirm your findings. Your team will write a market research report to answer your market research question based on the data you collected. The report will include an introduction, clear research question, methods section, analysis, findings and conclusion, references and any relevant appendixes. You will conduct original research, which will include interviews and focus groups, survey and analyzing survey results. You will work in teams of 4 Market research report presentation - 60% You will have the opportunity to present your Market research report in your teams to industry experts. You will work in teams of 4 - 10%

## 21. Economic Anthropology

Course Director	<b>Kata Fredheim</b> , PhD; Email: kata.fredheim@sseriga.edu
Department	Business and Management
Lecturer(s) and Teaching Assistants	<b>Kata Fredheim</b> , PhD, Email: kata.fredheim@sseriga.edu <b>Jurga Kupstyte</b> , MH, Email: jurga.kupstyte@sseriga.edu <b>Klāvs Sedlenieks</b> , PhD, Email: ksedleni@gmail.com
ECTS Credit Points	<b>3 ECTS</b> ; core course
Research skills needed and developed	Basic knowledge of qualitative methods and economics, already covered in related courses
IT-skills needed	Microsoft office, presentation programme of your choice
Related Courses	Market Research, Economic and Consumer Psychology, Behavioural Economics
Students eligible	Year 2 and exchange students, as well as debtors from previous study years
Introduction (Course objectives)	<p><b>Economic Anthropology</b> is not about skulls, bones, or colour of skin. It is about economic behaviour; it sets out questions, methods and general perspectives of how to scrutinise the influence of various social and cultural factors, such as family, gender, ethnicity, social class, religious beliefs on behaviour of human beings. At the same time, it is not a sub-discipline of economics, but a sub-domain of social anthropology, science that deals with social and cultural differences and similarities and attempts to explain them in a meaningful way.</p> <p>The course deals with issues that are about <b>real life behaviour and real life situations</b>, rather than the ones that are derived from generalizing models. For example, rumour and gossip as a black market of information, socially formed consumer preferences and tastes, informal organisational life, attitudes towards saving and credit, social mechanisms of trust, culturally developed conflict management practices, cross-cultural misunderstandings affecting business, and so on. Given the magnitude of social and cultural influences on our economic behaviour, it is not uncommon to meet anthropologists as modern technology development team members, organizational culture consultants, advertising specialists, or working on international development projects. Game theory, economics of development, organisational research, and marketing in our days are difficult to comprehend without substantial content from anthropology. One of the key deliveries in this course is to show that everyday behaviour that hardly qualifies as rational according to the economic models of homo economicus may be reasonable if the concept of rationality is enlarged so that social and cultural influences are accounted for. At the same time, a wider notion of rationality is a must if one wishes to understand and use cross-cultural business opportunities. Even more so, some ‘types of irrational behaviour’ may be more efficient economically than allegedly individualistically rational acts.</p> <p>The course presented during the four study weeks is short but rather intensive. The main purpose is to provide students with a new perspective from which to analyse regularities of everyday life and decisions of economic agents. The course should also introduce you to anthropological methods of data collection and analysis, notably participant observation, grounded theory and fieldwork, ethnographic approach to data gathering.</p>
Content	<p><b>Part I:</b> Introduction to Economic Anthropology ( 5 lectures, 4 seminars, 1 exam)</p> <p>Lecture 0                      26 Nov                      Introduction to Economic Anthropology (KF)</p>

	<table border="0"> <tr> <td>Lecture 1</td> <td>27 Nov</td> <td>Exchange and Reciprocity (KS)</td> </tr> <tr> <td>Seminar 1</td> <td>28 Nov</td> <td>Exchange and Reciprocity</td> </tr> <tr> <td>Lecture 2</td> <td>29 Nov</td> <td>Individual and Collectivity (KS)</td> </tr> <tr> <td>Seminar 2</td> <td>30 Nov</td> <td>Economy as a Form of Human Collaboration</td> </tr> <tr> <td>Lecture 3</td> <td>3 Dec</td> <td>Kinship and gender</td> </tr> <tr> <td>Seminar 3</td> <td>4 Dec</td> <td>Kinship and gender</td> </tr> <tr> <td>Lecture 4</td> <td>5 Dec</td> <td>Anthropology of Technology Use</td> </tr> <tr> <td>Seminar 4</td> <td>6 Dec</td> <td>Anthropology of Technology Use</td> </tr> <tr> <td>From the field</td> <td>TBC</td> <td>Case studies in Economic Anthropology</td> </tr> </table> <p>Output: Written exam (10 December)</p> <p><b><i>Part II:</i></b> Project Work (1 consultation, 1 seminar, project work, presentation, peer review)</p> <table border="0"> <tr> <td>Seminar 1</td> <td>12 Dec</td> <td>Methods</td> </tr> <tr> <td>Consultation</td> <td>14 Dec</td> <td>prepare for project work</td> </tr> </table> <p>Outputs: Project Work (deadline: 20 Dec), Presentation and peer review (deadline: 23 Dec)</p>	Lecture 1	27 Nov	Exchange and Reciprocity (KS)	Seminar 1	28 Nov	Exchange and Reciprocity	Lecture 2	29 Nov	Individual and Collectivity (KS)	Seminar 2	30 Nov	Economy as a Form of Human Collaboration	Lecture 3	3 Dec	Kinship and gender	Seminar 3	4 Dec	Kinship and gender	Lecture 4	5 Dec	Anthropology of Technology Use	Seminar 4	6 Dec	Anthropology of Technology Use	From the field	TBC	Case studies in Economic Anthropology	Seminar 1	12 Dec	Methods	Consultation	14 Dec	prepare for project work							
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<p><b>Structure and Format</b></p>	<p>The course consists of two parts, where the first part is intended for students' critical and analytical engagement with the topic-specific literature, as well as with the anthropological theoretical and ethnographic perspectives. The second part is intended for an in-depth hands-on acquaintance with qualitative research approach. Students have the opportunity to conduct original research.</p> <table border="0" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th>M</th> <th>T</th> <th>W</th> <th>T</th> <th>F</th> <th>S</th> <th>S</th> </tr> </thead> <tbody> <tr> <td>November</td> <td>26</td> <td>27</td> <td>28</td> <td>29</td> <td>30</td> <td>1</td> <td>2</td> </tr> <tr> <td>December</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> <td>7</td> <td>8</td> <td>9</td> </tr> <tr> <td></td> <td>10</td> <td>11</td> <td>12</td> <td>13</td> <td>14</td> <td>15</td> <td>16</td> </tr> <tr> <td></td> <td>17</td> <td>18</td> <td>19</td> <td>20</td> <td>21</td> <td>22</td> <td>23</td> </tr> </tbody> </table> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p><b>PART I (26 November – 9 December)</b>  Lectures (5)  Analytical discussions (seminars, 4)  Case study session (1)</p> </div> <div style="border: 1px solid red; padding: 5px; margin-top: 10px;"> <p>10 December: Exam</p> </div> <div style="border: 1px solid orange; padding: 5px; margin-top: 10px;"> <p><b>PART II (11 December- 23 December)</b>  Consultation (1x)  Analytical discussions (seminar, 1)  Written project work  Presentation and opposition  Written peer review</p> </div>		M	T	W	T	F	S	S	November	26	27	28	29	30	1	2	December	3	4	5	6	7	8	9		10	11	12	13	14	15	16		17	18	19	20	21	22	23
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<p><b>Literature and other resources</b></p>	<p>There will be no textbook but a collection of articles and book chapters organized around the topics of lectures and seminars, as well as project work, with literature access instructions posted on e-learning platform. The reading list for seminars and lectures is kept to a minimum and every student is expected to have read all the articles by the end of the course.</p> <p>Some of the final exam questions shall explicitly refer to particular articles and others will be made on the assumption that the students have acquainted themselves with the literature. Exam questions may refer to the reading lists from seminars or lectures. Detailed literature list is also provided in the Content section of the Course Outline. While SSE Riga library contains quite a few books on anthropology and sociology of economics and business life, we encourage the students to engage with digital libraries of academic journals, books, and primary sources. Also, further suggestions, especially</p>																																								



	concerning the execution of the project work, are available upon request from the teachers. Not least, internet abounds with interactive tutorial and anthropological film materials.																				
<b>Learning Outcomes</b>	<p>LECTURES AND ANALYTICAL DISCUSSIONS (SEMINARS):</p> <ul style="list-style-type: none"> <li>- Awareness of anthropological perspective applied to such topics as human cooperation, new forms of economics, well-being, debt, identity, time, employment, professional specialization, organizational form, developments in technologies;</li> <li>- Awareness of how ethnographic context reflects upon the ways in which human behaviour is realized, idealized, and occurs;</li> <li>- Awareness of the linkage between social and cultural differences and economic behaviour.</li> </ul> <p>PROJECT WORK:</p> <ul style="list-style-type: none"> <li>- Awareness of methods and general perspectives on how to scrutinize the relationship between various social and cultural factors and human behaviour.</li> </ul> <p>Subject-specific skills:</p> <ul style="list-style-type: none"> <li>- Ability to consider how and why social context and social background represent an important aspects of a society;</li> <li>- Ability to analyse critically and evaluate anthropological arguments;</li> <li>- Ability to develop a scientific, qualitative research based paper.</li> </ul> <p>Key skills:</p> <ul style="list-style-type: none"> <li>- Enhancement of critical thinking and critical assessment skills;</li> <li>- Ability to build an oral argument, discuss and debate with colleagues;</li> <li>- Ability to build a written argument in a clear, structured manner;</li> <li>- Written analysis of qualitative research and enhancement of writing skills;</li> <li>- Time management and organizational skills</li> </ul>																				
<b>Attendance</b>	<p>Attendance of Lectures (5x), Case study session and Consultation (1x) is not mandatory. Attendance of Seminars (5x) is mandatory. A maximum of one Seminar (out of 5) may be missed, for which the debt can be cleared. Any student who fails more than one seminar will fail the course and will have to retake it in full the next academic year.</p> <p>SEMINAR DEBT CLEARING TASK (to be provided and completed on 14-15 December 2018)</p> <p>For one seminar missed, the debt can be cleared by producing an up to 500 words long answer to the question provided on e-learning platform. The maximum number of points to be awarded is 10, irrespective of whether you missed the seminar in which you had to present, or a seminar in which you had to be only involved in the discussion.</p>																				
<b>Electronic Devices Policy</b>	Strictly no phones / tablets/ laptops during lectures.																				
<b>Requirements and Grading</b>	<p>Breakdown of points</p> <table border="1"> <tr> <td><b>PART I</b></td> <td><b>80 pts in total, minimum required grade for passing 40 pts</b></td> </tr> <tr> <td>Lectures</td> <td>0 pts</td> </tr> <tr> <td>Analytical discussions</td> <td>10 pts / seminar; 40 pts in total</td> </tr> <tr> <td>Written exam</td> <td>40 points in total, minimum required grade for passing 20 pts</td> </tr> <tr> <td><b>PART II</b></td> <td><b>120 pts in total, minimum required grade for passing 60 pts</b></td> </tr> <tr> <td>Consultation</td> <td>0 pts</td> </tr> <tr> <td>Analytical discussions</td> <td>10 pts</td> </tr> <tr> <td>Written project work</td> <td>60 points in total, minimum required grade for passing 30 pts</td> </tr> <tr> <td>Presentation</td> <td>20 pts</td> </tr> <tr> <td>Peer review</td> <td>20 pts</td> </tr> </table> <p>Please note that a successful completion of the course implies a passing grade in Part 1 (with at least 50% passing grade in the exam) and a passing grade in Part 2 (with at least</p>	<b>PART I</b>	<b>80 pts in total, minimum required grade for passing 40 pts</b>	Lectures	0 pts	Analytical discussions	10 pts / seminar; 40 pts in total	Written exam	40 points in total, minimum required grade for passing 20 pts	<b>PART II</b>	<b>120 pts in total, minimum required grade for passing 60 pts</b>	Consultation	0 pts	Analytical discussions	10 pts	Written project work	60 points in total, minimum required grade for passing 30 pts	Presentation	20 pts	Peer review	20 pts
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50% passing grade for the project work).

**Guide notes for discussion:**

Lecturers are there to facilitate the discussion and evaluate your performance. We shall make sure that feedback and clarifications are provided. Please keep in mind these guide notes while preparing and participating for the seminar sessions. The notes reflect the criteria used to evaluate your performance:

- Do the readings and be prepared to discuss in small group settings: We expect that all students shall be well prepared for each session by having read the texts irrespective of whether they are giving presentation or not at a given seminar.
- Be prepared to share your findings in small groups
- Engage in active listening and respect the teacher and your colleagues
- Be active in the discussion
- Ensure your contribution is constructive: During the seminars students are not expected to produce common-sense or superficial statements or trivia. We believe the topics and seminar materials are sufficiently engaging to generate exchange of well-reasoned opinions.
- Go beyond summary and think critically and analytically: Bear in mind that the necessary requirement for the format of your engagement is the ability to critically and analytically inquire into both seminar and lecture materials, rather than simply summarize on them.
- We also highly value well-rounded examples from your immediate environment, rather than reiteration of examples found in the seminar texts.
- After the seminar, we would expect that one (any) of the group members uploads the materials prepared by the group on e-learning platform.

## 22. Financial Economics

<b>Course Director</b>	<b>Tālis Putniņš</b> , Assistant Professor talis.putnins@sseriga.edu
<b>Department</b>	Accounting and Finance
<b>Lecturer(s)</b>	<b>Tālis Putniņš</b> , Assistant Professor, talis.putnins@sseriga.edu <b>Anete Pajuste</b> , Associate Professor, anete.pajuste@sseriga.edu
<b>ECTS Credit Points</b>	<b>12 ECTS</b> , core course
<b>Course Prerequisites</b>	Mathematics, Econometrics, Introductory accounting
<b>Research skills needed and developed</b>	Econometrics / data analysis / statistical inference Reviewing academic literature Writing academic research papers
<b>IT-skills needed</b>	Data analysis software (e.g., Stata, Excel) Ability to access and search academic literature databases Ability to use databases (e.g., Thomson Reuters Datastream)
<b>Related Courses</b>	<b>Prior:</b> International Finance, Financial Accounting, Management Accounting and Finance, Econometrics, Mathematics, Microeconomics <b>Subsequent:</b> Finance Specialisation, Accounting and Finance
<b>Students eligible</b>	Year 2, as well as debtors from previous study years.
<b>Introduction (course objectives)</b>	<p>The financial system consists of the capital markets as well as the payment system through which virtually all transactions clear. Capital markets encompass the money, fixed-income (e.g., bond), and equity markets, as well the markets for derivatives such as futures, options, and swaps. Capital market functions are also performed by financial intermediaries such as commercial and investment banks, and insurance companies that provide more customized products and services. The primary function of the financial system is to facilitate the allocation and efficient use of scarce economic resources, both spatially and across time (intertemporally), in a risky environment using returns and prices to coordinate decentralised decisions. This course covers the functioning of the financial system as a whole, the pricing of various financial securities, risk-return/asset pricing, portfolio theory, corporate governance, and corporate finance.</p> <p>The main objectives of the course are:</p> <ul style="list-style-type: none"> <li>- Introduce you to the important theories of financial markets and intermediaries, and explain their role in a wider socio-economic context.</li> <li>- Provide an overview of how security markets operate, set prices, and provide liquidity. Understand how new information gets impounded into prices.</li> <li>- Teach you how to price the financial instruments (such as equity, bonds, futures and options) using two basic ideas: (i) the diversification principle, and (ii) the Law of One Price.</li> <li>- Provide methods for quantifying various types of risk in finance and understanding the risk-return trade-off.</li> <li>- Provide tools for answering to two fundamental questions in capital budgeting: Which investment projects should be undertaken? And what is the optimal scheme to finance those projects?</li> <li>- Explain major corporate finance issues like how to value a corporation, choice of optimal capital structure, dividend policy, Initial Public Offerings (IPOs), and corporate acquisitions (takeovers).</li> <li>- Explain principal-agent (incentive) problems arising from unevenly (asymmetrically) distributed information or misalignment of incentives between investors and managers.</li> </ul>

	<ul style="list-style-type: none"> <li>- Understand the functioning and purpose of corporate governance systems (e.g. corporate law, auditing procedures, corporate charters, listing requirements).</li> </ul>
<b>Content</b>	<ul style="list-style-type: none"> <li>- Risk and return</li> <li>- Diversification and mean-variance portfolio optimisation</li> <li>- The Capital Asset Pricing Model</li> <li>- Multifactor asset pricing models</li> <li>- Financial options, real options, and option pricing</li> <li>- Financial system and corporate governance</li> <li>- Ethics in finance</li> <li>- Financial market microstructure and design</li> <li>- Market efficiency</li> <li>- Bonds and bond pricing</li> <li>- Interest rate risk and how to hedge it</li> <li>- Term structure of interest rates</li> <li>- Futures, forwards, swaps and their pricing</li> <li>- Valuing common stocks (discounted cash flow models)</li> <li>- Dividends and payout policy</li> <li>- The capital structure decision and raising finance</li> <li>- Agency costs and mitigation devices</li> <li>- Capital budgeting and valuation with leverage</li> <li>- Mergers and acquisitions</li> </ul>
<b>Structure and Format</b>	<p>The course is organized in 24 lectures, 4 guest lectures, 13 regular seminars, 6 guiding seminars and 10 colloquia. Most lectures and seminars are three or four hours long. Guest lectures are two hours long. Formal assessments include a major term paper in finance, written in small groups under the guidance of a supervisor (submitting a written paper and defending it at a presentation with a discussant), and a 3.5 hour written exam. Students are also given quizzes at various points in the course to provide feedback on their progress / understanding of the concepts. Students are also expected to do a substantial amount of pre-reading before the course. Additional details on the content of each lecture/seminar and the schedule will be provided before the course.</p> <p><b><i>Lectures, guest lectures and seminars</i></b></p> <p>The <i>lectures</i> introduce the major theories and empirical results in financial economics while the guest lectures are given by invited speakers that add a different, applied perspective. <i>Regular seminars</i> are designed to apply and reinforce knowledge of the basic principles covered in lectures. They involve solving problems that students attempt on their own before coming to the seminar. The purpose of the <i>colloquia</i> is to prepare students for the final exam by solving some previous exam problems that students have tried to solve beforehand, and to go over some of the material covered in the lectures.</p> <p><b><i>Readings and guiding seminars</i></b></p> <p>The course contains six reading packages of academic articles (on (i) Asset Pricing; (ii) Derivative Asset Pricing; (iii) Aspects of the Financial System; (iv) Corporate Governance; (v) Bonds and credit derivatives; and (vii) Corporate Finance). All readings are compulsory and examinable. Since some of the articles are aimed for professional academics, you will be given help in the form of <i>guiding seminars</i>. This is a form of interactive seminar where a TA will give you a general overview of the compendium articles and put them in context giving some advice on how to read them. Note that guiding seminars are not substitutes for reading the articles.</p> <p><b><i>Term Paper</i></b></p> <p>A pivotal tool for active learning is that you have to produce a term paper. You form a group of four students and pick one topic from the suggestions in the separate handout for term papers (see <b>Term Paper Information</b> handout for further details). You will work on the term paper throughout the course turning to your supervisor at key points in the process for feedback and advice. There will be a number of interim deliverables regarding</p>

	to the term paper throughout the course, including a two-page synopsis where you provide an outline of the proposed paper, a first draft, submission of the final written term paper, presentation of the term paper at an oral defense where a discussant and examiner will provide critical feedback, and a final resubmission of the paper incorporating the feedback. See <b>Term Paper Information</b> handout for details.
<b>Literature and other resources</b>	<p><b>Required textbook</b> The core textbook that we will use throughout the course is:</p> <ul style="list-style-type: none"> <li>- Berk, Jonathan and Peter De Marzo. Corporate Finance, Pearson, 2nd edition, 2010. (BDM)</li> </ul> <p><b>Compulsory academic papers</b> See separate document (<b>List of References</b>) for the full list of compulsory academic papers.</p> <p><b>Optional textbooks</b> See separate document (<b>List of References</b>) for additional and alternative textbook resources.</p>
<b>Learning Outcomes</b>	See Course Objectives above.
<b>Attendance</b>	<p>Attendance at every part of the course is compulsory for students taking the course for the first and second time. This requirement excludes the Q&amp;A sessions run by TAs in the week before the exam—those are optional but highly recommended. Hence, if you are taking the course for the first or second time and you miss any lecture, regular seminar, guiding seminar, colloquium, or guest lecture, you will fail the course and have to re-take it next year. The only exception is when you are ill, in which case a medical certificate from your doctor should be handed in to the Academic Department (room 213) within five working days of your recovery. You should also inform the Head TA about your decision to stay home as soon as you get ill.</p> <p>You will be asked to put your signature on the sign-up sheet in each part of the course. If you sign up for a colleague who is not present in the seminar, you and your colleague will fail the course immediately.</p>
<b>Electronic Devices Policy</b>	Phones, laptops, tablets, cameras, recording devices, earphones and music playing devices are prohibited in the classroom, except for specific sessions where laptops will be used and you will be notified by the lecturer.
<b>Requirements and Grading</b>	<p>Passing the course requires a passing grade on (i) a final written 3.5-hour exam (achieving at least 100 points) <b>AND</b> on (ii) the term paper (achieving at least 100 points). The final course grade is a weighted average of the exam grade (70% weight) and term paper grade (30% weight).</p> <p>The <b>written exam</b> will take place on <b>Monday, March 4, 2019</b>. It consists of a total of 200 points. You need 100 points or more to pass the exam. As part of your preparation for the exam, the teaching assistants will be available for Q&amp;A sessions right before the exam. The Q&amp;A sessions are the only part of the course attendance of which is not mandatory. The re-exam will take place on <b>Friday, June 21, 2019</b>. Exam rules and frequently asked questions and answers will be distributed during the course.</p> <p>The deadline for submission of term papers is <b>Friday, March 8, 2019</b>. The oral examination of term papers will take place in parallel sessions on Thursday and Friday, <b>March 14 and 15, 2019</b> when you present and defend your term paper, and also serve as discussants of another group's paper. The final revised term paper is due <b>March 29, 2019</b>. Your term paper grade will be based on a number of factors including an examiner's assessment of the academic merit of your paper, your performance during the paper presentation/defense sessions, your supervisor's feedback about the group's work, and a grade from the English Department for the language/referencing/presentation.</p>

## 23. Economics and Consumer Behaviour

<b>Course Director</b>	<b>Reinson Heidi</b> , Visiting Lecturer heidi.reinson@sseriga.edu
<b>Department</b>	Business and Management
<b>Lecturer(s)</b>	Heidi Reinson +Guest lectures TBC in August
<b>ECTS Credit Points</b>	<b>3 ECTS</b> ; core course
<b>Course Prerequisites</b>	Marketing (Y1)
<b>IT-skills needed</b>	Word and PowerPoint for team assignments
<b>Related Courses</b>	Marketing, Anthropology, Market Research, Research Methods
<b>Students eligible</b>	Year 2 and exchange students, as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	The purpose of the course is to give students a broad understanding of decision-making processes – how different internal/external factors influence our daily judgment, behaviour, and purchasing decisions. This course is not only about marketing but also human decision making in general, so it relevant for all students, regardless of the career aspirations one might have.
<b>Content</b>	<p>The first half of the course will be covering the theoretical background of judgment and decision making, while the second half is focusing on the specific applications (brands, advertising, pricing, etc.), with cross-referencing between the lectures.</p> <p>Here is (non-exhaustive) list of the main concepts and terms covered:</p> <ul style="list-style-type: none"> <li>- What influences consumer behaviour?</li> <li>- The difficulty of mapping consumer preferences</li> <li>- System 1 (automatic) and System 2 (reflective)</li> <li>- Cognitive biases and heuristics</li> <li>- The MINDSPACE framework of behaviour change (Messenger, Incentives, Norms, Defaults, Salience, Priming, Affect, Commitments, Ego)</li> <li>- Embodied cognition</li> <li>- Cialdini's 6 principles of persuasion</li> <li>- What is rationality? Bounded rationality</li> <li>- How do people assess value?</li> <li>- Opportunity cost neglect</li> <li>- Mental accounting</li> <li>- Prospect theory (absolute vs. subjective value)</li> <li>- Endowment effect</li> <li>- Bonus: Behavioural Finance</li> <li>- Emotions and their role in decision making</li> <li>- Brands and brains (Long-term Potentiating, LTP)</li> <li>- Consumer goals/needs</li> <li>- Psychology of advertising</li> <li>- Attention and memory</li> <li>- Implicit learning</li> <li>- Neuromarketing research</li> <li>- Shopper behaviour (in-store)</li> <li>- Psychology of prices (price-value associations, decoy pricing, bundling, €9.99, Free)</li> <li>- Trends in consumer behaviour</li> </ul>
<b>Structure and</b>	- Lectures (10 x 90 min)

<b>Format</b>	<ul style="list-style-type: none"> <li>- Seminars (3 x 60 min)</li> <li>- Independent study of the materials posted on the course home page on the e-learning platform</li> <li>- Three (3) thematic assignments for the seminars</li> <li>- Final exam</li> </ul>
<b>Literature and other resources</b>	<ul style="list-style-type: none"> <li>- Caldwell, L. (2012). The Psychology of Price: chapter 12</li> <li>- Duhigg, C. (2012). The power of habit</li> <li>- Griskevicius, V., et al. (2009). Fear and Loving in Las Vegas</li> <li>- Heath, R., Brandt, D., &amp; Nairn, A. (2006). Brand relationships</li> <li>- Kahneman, D. (2011). Thinking, Fast and Slow</li> <li>- Ly, K. et al (2014) A Practitioner's Guide to Nudging</li> <li>- Poundstone, W. (2010). Priceless</li> <li>- Schwartz, B. (2000). Self-determination – The tyranny of freedom</li> <li>- Thaler, R. H. (2015). Misbehaving: The making of behavioral economics</li> <li>- Wilson, T, &amp; Gilbert, D. (2005). Affective forecasting + a few videos and newspaper articles</li> </ul> <p>See the separate reading list for full titles and details about finding the papers. Most of the articles and scanned book chapters are uploaded on the eLearning platform.</p> <p>You will be required to read only one or a few chapters from the books listed above. Page numbers will be confirmed in the beginning of the course. Course Director has the right to add titles during the course, while not extending the overall workload.</p>
<b>Learning Outcomes</b>	<p>Understanding of key concepts in consumer psychology, ability to discuss factors influencing consumer behaviour and decision-making processes.</p> <p>Overview of the relevant literature in the related disciplines.</p>
<b>Attendance</b>	<p><b>Lectures:</b></p> <p>Attending the lectures is not mandatory but missing a lecture means minus 2 points from the overall grade (-3 points in case of guest lectures). This is in fact not a very harsh punishment (just -1%) and can easily be made up by doing well in the exam and group assignments.</p> <p>As it is very difficult to draw the line between “good” and “not so good” excuses, the -2 points rule applies for all cases except if you have an official doctor’s note.</p> <p><b>Seminars:</b></p> <p>All students must individually read the course materials (book chapters, articles, lecture slides), prepare for each seminar in their teams, and attend all three seminars. All groups have to submit their work by the deadline which is a day or a few days before the respective seminar. 5 pre-announced teams will be presenting (up to 7 minutes each) their analysis and answer questions. General discussion will follow the presentation and students are expected to actively participate based on their prior readings and work in groups. All students are expected to contribute equally to the group-based write-ups.</p> <p>NB! Missing a seminar means the absent student should finish the homework individually, i.e. prepare for the same assignment as others do in groups. All debt clearance has to be submitted by September 8 the latest.</p>
<b>Requirements and Grading</b>	<p>The final grade max 200 consists of:</p> <ul style="list-style-type: none"> <li>- 60% Exam (max 120 points)</li> <li>- 10% Class attendance (max 20 points, i.e. -2 points per missed lecture)</li> <li>- 10% Seminar 1 assignment (max 20 points)</li> <li>- 10% Seminar 2 assignment (max 20 points)</li> </ul>

- 10% Seminar 3 assignment (max 20 points)

In order to pass the course, you have to pass the exam (i.e. get at least 60 points) as well as get a pass on the total grade (at least 100 points)!

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## 24. Accounting & Finance

Course Director	<b>Pajuste Anete</b> , Associate Professor anete.pajuste@sseriga.edu
Department	Accounting and Finance
Lecturer(s)	<b>Le Clere Marina</b> , Lecturer marina.leclere@sseriga.edu
ECTS Credit Points	<b>6 ECTS</b> ; core course
Course Prerequisites	Introductory Accounting, Management Accounting
Research skills needed and developed	Data analysis / statistical inference Reviewing academic literature Writing consulting report Case study analysis
IT-skills needed	Data analysis software (e.g., Stata, Excel) Ability to access and search academic literature databases Ability to use databases (e.g., Thomson Reuters Datastream)
Related Courses	<b>Prior:</b> Financial Accounting, Management Accounting and Finance, Managerial Economics, Financial Economics <b>Subsequent:</b> Finance Specialisation
Students eligible	Year 2 and exchange students, as well as debtors from previous study years
Introduction (Course objectives)	The objective of the course is to integrate knowledge obtained in other accounting and finance related courses, and to give hands-on experience in producing an in-depth evaluation of a company. The course provides tools for historical financial analysis, forecasting, and equity valuation using spreadsheet modelling. The course will deal with the following areas: <ul style="list-style-type: none"> <li>- Financial Analysis (FA)</li> <li>- Equity Valuation (EV)</li> <li>- Accounting Theory and Research (AT)</li> <li>- Entrepreneurial Finance (EF)</li> </ul>
Content	<b>Financial analysis (FA)</b> This part of the course covers three inter-related financial analysis relationships: the relationship between profitability, financing and growth of the firm; the leverage formula; and Du-Pont analysis. We will study the key ratios in the areas of profitability, financial position, and liquidity, as well as emphasise the measurement considerations (necessary adjustments and calculations) and the interpretation of figures. We will also conduct activity- and personnel-based analysis, talk about operating and financial risks and perform an in-depth historical financial analysis. <b>Equity valuation (EV)</b> Equity valuation is a wide area that covers many different approaches. In general, there are three broad approaches to valuation: discounted cash-flow valuation (DCF), relative valuation, and contingent claim valuation. You have learned the following DCF models in the Financial Economics course: the Discounted Dividend, Weighted Average Cost of Capital, Adjusted Present Value, and Free Cash Flow to Equity models. We will learn the excess return valuation framework (e.g. Abnormal Profit Model), the relative valuation (e.g. using Price-to-Earnings and Market-to-Book ratios) and basic contingent claim valuation in this course. We will discuss benefits and difficulties with each model, when it is reasonable to use each approach and finally we will apply the models to a company valuation. The emphasis in this course will be on the relation between accounting information and the different models.



	<p><b>Accounting theory and accounting research (AT)</b>  Some of the questions that constantly come up in accounting are: How should we measure income? When should we recognize revenue? How do we measure expenses? What is the value of our assets? In this part of the course, we will deal with recognition and measurement problems. We will investigate further the impact of alternative accounting policies on financial ratios, discuss the quality of financial reporting and warning signals for earnings management. We will study the accounting policies related to, for example, construction projects, intangible assets and fair value. The course will also introduce the basic accounting research.</p> <p><b>Entrepreneurial Finance (EF)</b>  This section of the course will examine elements of entrepreneurial finance, focusing on the funding of young innovative high growth oriented start-ups. The lectures and seminars will address the key financing challenges facing entrepreneurs: how much money can and should be raised; when should it be raised and from whom; and what is a reasonable valuation of the company. The aim of the section is to provide students with an understanding of the differences between the financing decisions facing start-ups as opposed to larger firms, covered in other parts of the course.</p>
<p><b>Structure and Format</b></p>	<p>The course is organized in 10 lectures, 2 guest lectures and 10 seminars. Most lectures and seminars are two or three hours long.</p> <p><b>Lectures, guest lectures and seminars</b>  The lectures introduce the major theories and empirical results while the guest lectures are given by invited speakers that add a different, applied perspective. Seminars are designed to apply and reinforce knowledge of the basic principles covered in lectures. They involve solving problems that students attempt on their own before coming to the seminar.</p> <p><b>Project</b>  The objective of the course is to integrate and deepen your knowledge of accounting and finance. This objective is supported by an extensive project. The project consists of four parts. The first part contains a historical financial analysis of a company. The second part consists of a financial planning model the aim of which is to create a forecast model of the company that can be used for analysis and valuation purposes. The model will consist of budgeted income statements, balance sheets, cash flows statements, key ratios for the coming five-year period and equity valuation. The model makes it easy to evaluate alternative future scenarios, by showing the effects of different strategies, expense development etc. on company's profitability and financial position. The third part is a report on equity valuation based on the results of part 1 and 2. The objective is to analyse the historical financial performance of the company and evaluate whether the present share price of the company corresponds to your expectation about the future of the company. The fourth part consists of an opposition to another project. The project will be completed in groups of four students.</p>
<p><b>Literature and other resources</b></p>	<p>Course book: "Business Analysis and Valuation" by Palepu, Healy and Peek (PHP).  Reference book: "Corporate Finance" by Berk and De Marzo (BD).  Different readings on the eLearning platform.</p>
<p><b>Learning Outcomes</b></p>	<p>The main learning outcomes are:</p> <ul style="list-style-type: none"> <li>- to learn and practice an in-depth financial analysis of a firm;</li> <li>- to understand the benefits and difficulties with different valuation models and to apply those models to a company valuation;</li> <li>- to develop spreadsheet modelling skills;</li> <li>- to get acquainted with accounting recognition and measurement problems, as well as earnings management research;</li> <li>- to understand the differences between the financing decisions facing start-ups as opposed to larger, more mature firms.</li> </ul>

<b>Attendance</b>	<p>Attendance at every part of the course is compulsory for students taking the course for the first time. The only exception is when you are ill, in which case a medical certificate from your doctor should be handed in to Academic Department (room 213) within five working days of your recovery.</p> <p>You will be asked to put your signature on the sign-up sheet in each part of the course. If you sign up for a colleague who is not present in class, you and your colleague will fail the course immediately.</p>
<b>Electronic Devices Policy</b>	<p>Phones, laptops, tablets, cameras, recording devices, earphones and music playing devices are prohibited in the classroom, except for specific sessions where laptops will be used and you will be notified by the lecturer.</p>
<b>Requirements and Grading</b>	<p>The grading of the course is as follows:</p> <ul style="list-style-type: none"> <li>- Exam - 100 points (individual)</li> <li>- Project - 80 points (group)</li> <li>- Case discussions and write-ups - 20 points (individual)</li> </ul> <p>In order to pass the whole course at least 100 points out of 200 are needed. Besides, it is necessary to pass the exam AND the project (i.e., to get 50 percent of the maximum grade).</p>

## 25. Strategy

<b>Course Director</b>	<b>Yuri Romanenkov</b> , Lecturer yuri.romanenkov@sseriga.edu
<b>Department</b>	Business and Management
<b>Lecturer(s)</b>	N/A
<b>ECTS Credit Points</b>	<b>6 ECTS</b> ; core course
<b>Course Prerequisites</b>	SSE Riga Y1 and Y2 required curriculum
<b>Research skills needed and developed</b>	Identifying relevant facts from a large volume of pre-read material to construct arguments
<b>IT-skills needed</b>	Basic Excel
<b>Related Courses</b>	Microeconomics, Macroeconomics, Accounting & Finance, Financial Economics, Marketing, Organisation & Management, Specialisation: Retail Management
<b>Students eligible</b>	Year 2 and exchange students, as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	<p>Strategy is an integrated set of choices that positions a firm in an industry to generate superior financial returns over the long run. The field of strategy encompasses all the theories, concepts, methods and tools that general managers can use to ensure long-term profitable growth of the companies they manage.</p> <p>The course is structured to integrate various individual strategy components (internal choices, economic and competitive environment analysis, strategic positioning decisions, corporate development, etc) into sustainable business and corporate policies. These involve:</p> <ul style="list-style-type: none"> <li>- <b>Generic business-unit-level strategies</b>, such as e.g. differentiation or low cost;</li> <li>- <b>Corporate strategies</b>, such as diversification, vertical integration (make or buy), mergers and acquisitions (M&amp;A), alliances and cooperation, globalisation decisions, as well as broader emerging issues, such as stakeholder management, sustainability, and corporate social responsibility.</li> </ul> <p>Our objective during the course is to cover the main analytical and conceptual approaches that may be applied to make business and corporate strategy decisions, as well as to illustrate the managerial situations and process in which these decisions are made and carried out. This implies that, along with introducing the fundamentals of the theory in strategic management, the course will also train students on a variety of analytical tools that can help them directly assume and appreciate managerial roles in enhancing and sustaining corporate performance.</p>
<b>Content</b>	<p>The course covers two core themes:</p> <p><b>1. Business strategy</b></p> <p>Business strategy deals with a firm operating in a single market or industry making an integrated set of choices that positions it to deliver superior financial performance over the long run. We will build a foundational analytical toolkit, starting with the analysis of firm's choices and capabilities, industry and value chain characteristics, and competitive environment. We will then consider how firms position themselves in the market environment and sustain their advantage through responding to competitive dynamics, innovating business models and leveraging their main capabilities.</p> <p><b>2. Corporate strategy</b></p> <p>Corporate strategy is about opportunities to gain competitive advantage by operating in multiple markets, industries or segments of the value chain simultaneously, and by cooperating with other organisations. Most large companies today as well as many</p>

	<p>medium-size firms operate in more than one industry, form part of inter-firm alliances or networks of firms, and are thus implementing some form of corporate strategy. We will work through the key concepts in corporate strategy, such as vertical and horizontal integration, acquisitions and divestments, industry and geographic diversification, globalisation, alliances and other forms of corporate development.</p>
<p><b>Structure and Format</b></p>	<p>The course is facilitated through a continuous four-step learning cycle. If students follow this cycle rigorously, not only will they be well prepared for all classes, but they will also set foundations for a good performance on the final assessment.</p> <p><b>1. Individual preparation</b>  Each student individually reads the case for the upcoming class session and the assigned accompanying theoretical materials (articles, notes, sections of books) to form an initial view on the questions provided by the course instructors ahead of that session. Questions will generally focus on diagnosing the problem and recommending a solution. Individual preparation is a critical step in the learning process, as it is essential that students have a clear and complete view of the fact base presented in the case and the readings and that they have given it individual consideration.</p> <p><b>2. Team discussion and preparation of one-pagers</b>  Ahead of class (and the one-pager submission deadline) teams will meet to discuss the questions for the upcoming class session. At the meeting students share the perspectives that they have formed individually, prepare the one-pager articulating their team view (more detailed guidance on the one-pagers below) and submit it.</p> <p><b><i>Class Group and Team Allocation</i></b>  <i>Students will prepare for class and work on case one-pagers in teams of 4-5 people. Teams will be self-assigned – more information on signing up for teams to be provided separately prior to the course starting. For Class Sessions, students will be divided into two class Groups of approx. 60 people each (Group A and Group B) for the duration of the course. All one-pager teams will be divided (two people into Section A and two people into Section B) by the Course Leadership Team who hold final decision rights on Class Group and Team allocation.</i></p> <p><b>3. Class session</b>  Students will have class sessions in sections of approx. 60 people (i.e. whole class will be split in Groups A and B). Each class session will be structured in two parts:</p> <ul style="list-style-type: none"> <li>- <b>Case discussion:</b> Course Director will facilitate a class discussion of the case assigned for the class. All students will be expected to contribute by active in-class participation throughout the course. More details on class discussion norms will be provided at the introductory session.</li> <li>- <b>Mini-lecture:</b> Course Director will synthesize the case discussion to consolidate the key takeaways of the class (theoretical concepts, analytical tools, specific lessons of the case, etc). Occasionally, the mini-lecture at the end of a class session will be delivered by a lecturer or a guest speaker (in which case, it will generally be longer and include time for Q&amp;A)</li> </ul> <p>Class sessions will run for 1h45mins with a 15min break (determined by the Course Director).</p> <p><b>4. Individual reflection</b>  After each class, we recommend that students take some time to review their class notes, team one-pager and individual preparation notes to crystallise their most important personal lessons.</p>
<p><b>Literature and other resources</b></p>	<p>Cases form the core material for the Strategy course. For many sessions they are supplemented with theoretical notes, academic and business articles, and book excerpts to facilitate preparation for class discussion.</p> <p>All materials will be provided to students both in print and digitally through the e-learning platform.</p>
<p><b>Learning Outcomes</b></p>	<p>The course focuses on the perspective and skills required for a general manager in diagnosing complex business situations and identifying solutions to strategic problems. It is designed to build upon previous coursework of Y2 students of the SSE Riga B.Sc.</p>

	<p>programme by drawing upon the integration of various functional and technical areas, developing the mastery of the base strategic analysis toolkit and providing an integrated perspective on what may constitute sustained competitive advantage for a firm and help it attain superior financial performance.</p> <p>By the end of the course students should be able to:</p> <ul style="list-style-type: none"> <li>- Understand and articulate <b>different strategy choices</b> available to general managers</li> <li>- Assess a firm's <b>external environment</b>, industry structure and potential</li> <li>- Form a view on <b>competitive dynamics</b> affecting a firm</li> <li>- Assess how an <b>expansion in both different industries and geographic markets may affect the economic value</b> generated by firm</li> <li>- Understand the rationale and main elements involved in <b>vertical integration, alliance, M&amp;A, and other corporate development decisions</b></li> </ul> <p>The course aims to develop three key practical skills for students as future managers:</p> <ol style="list-style-type: none"> <li>1. Ability to <b>combine the lens of strategic and financial</b> (e.g. cost-based, corporate finance, strategic cost) analysis</li> <li>2. Capacity for <b>cross-functional, critical managerial thinking</b> expected of a general manager</li> <li>3. Ability to <b>recognise patterns of strategy</b> under conditions of incomplete and imperfect information</li> </ol>
<p><b>Attendance</b></p>	<p>There will be assigned seating in the classroom. <b>Attendance is compulsory for all Class Sessions</b> and will be registered. For students missing any sessions during the course, a written note of apology should be provided to the TA for the class (copying the Course Director) via email <u>prior</u> to the start of the respective session. Note specifically that classes missed due to recruiting activities will be considered unexcused absences. <b>One unexcused absence is allowed without any class participation point deduction</b> (i.e. student will receive their average class participation points for the duration of the course). <b>A further two unexcused absences will result in zero points for class participation and one-pager associated with each missed class. More than three unexcused absences will result in the student not being allowed to take the final exam and required to re-take the course next year.</b></p> <p>Please note again that a great learning experience in the Strategy course for each student relies on their classmates being consistently fully prepared for class. The Strategy Course Leadership team and SSE Riga administration have a high expectation of levels of preparation of every student for every class. Therefore, if it is entirely apparent to the instructor that a student is unprepared for class, it may be determined an unexcused absence. All decisions on absences will be taken by Strategy Course Leadership team and will be final.</p>
<p><b>Electronic Devices Policy</b></p>	<p>The use of electronic devices in class is not permitted – please ensure you bring a hardcopy of the case, any other materials you require, notes, etc.</p> <ul style="list-style-type: none"> <li>- In some cases requiring spreadsheets, laptops will be allowed – the Course Director will inform everyone in advance</li> <li>- If someone is using an electronic device, the Course Director may determine it an unexcused absence</li> </ul>
<p><b>Requirements and Grading</b></p>	<p>Course evaluation will be composed of the following elements:</p> <ul style="list-style-type: none"> <li>- Class participation (30%, 60 points of 200)</li> <li>- One-pagers prepared in teams (30%, 60 points of 200)</li> <li>- Capstone Boardroom exercise (40%, 80 points of 200)</li> </ul> <p><b>Class participation (30%)</b></p> <p>Class participation is an essential part of the course and will represent 30% of final grade. Students will be graded on the quality and quantity of their comments:</p> <ul style="list-style-type: none"> <li>- <b>Quality:</b> A high-quality comment concisely conveys a single well-reasoned point backed by relevant facts and builds on the ongoing class discussion to advance it forward. A low-quality comment does not make a clear point, has weak logic, is not</li> </ul>

grounded in fact and/or is irrelevant to the ongoing discussion.

- **Quantity:** Students are expected to ask to be called on for comment whenever they feel they have a point that would advance the class discussion. A significantly lower frequency would adversely affect the class participation part of the grade. Note that considering class length and group size, it is not expected that every student will contribute to every class session and many students receiving maximum points on class participation do not contribute to every single class.

#### **Case one-pagers prepared in teams (30%)**

Cases will be worked on in teams of 4-5 students (self-assigned). For each case, student groups will have to answer one key question (see the list of questions posted as a separate document on SSE Riga e-learning platform).

Please note the following guidelines for the one-pagers:

- **Do not copy or summarise the information provided on the case** – instead, try to analyse it and draw conclusions regarding the strategic issues at stake and potential approaches to deal with them
- **Structure your analysis** – do not merge the issues but rather disentangle them and try to deal with each issue separately
- **Substantiate** – be sure to back up your arguments and analysis with facts and figures from the case, and, if a vital piece of information is missing, be clear about your assumptions
- **Be critical** – recognise that in management and strategic issues there is no one “perfect” answer, be sure to acknowledge alternative scenarios, and the limitations and potential counter-arguments to your view
- **Recognise the multi-dimensionality of firm performance and competitiveness** – do not get locked in your focus just on one dimension, such as market share, customer satisfaction or margin
- **Try to think beyond the obvious** – do not get stuck with formal theoretical frameworks and bring in your own creative view and managerial judgement in your analysis and recommendations.

**One-pager format:** All case one-pagers should be in memo style in Word document format, on one page (not exceeding 450 words). The name and participants of each group should be clearly visible on the document submitted and the file name. A template for one-pager format will be provided on the E-learning platform

**One-pager deadline:** Each case one-pager should be handed in by 10.00 a.m. (at the latest) on the day of the respective session, by uploading it electronically to the dedicated space on the SSE Riga e-learning platform. Late or missing submissions will be assigned zero points.

#### **Capstone Boardroom Exercise (40%)**

The final assessment of the Strategy course and the SSE Riga required curriculum overall will involve an examination where students will play company management presenting a solution to a strategic problem (based on a case analysis) at a Board meeting, with the Board played by a combination of SSE Riga alumni and faculty. For evaluation purposes, the Board will act as the examiners. More information on this assessment will be provided in a briefing session in the beginning of the course.

**In order to pass the Strategy course, each student will be required to achieve a passing grade in the Capstone Boardroom Exercise and a passing grade overall.**



## 26. Specialization Course: Economics

<b>Course Director</b>	<b>Konstantīns Beņkovskis</b> , Associate Professor konstantins.benkovskis@sseriga.edu
<b>Department</b>	Economics
<b>Lecturer(s)</b>	<b>Konstantīns Beņkovskis</b> , Associate Professor konstantins.benkovskis@sseriga.edu
<b>ECTS Credit Points</b>	<b>7,5 ECTS</b> ; specialisation course
<b>Course Prerequisites</b>	Although the course is motivated by the aim of understanding past and current events, the principal means by which this will be realized is economic theory backed up by some empirical evidence. Thus we shall rely on formal economic modelling. This means extensively using tools from <b>Year 1 Microeconomics</b> and <b>Year1 Macroeconomics</b> . The level of mathematics is rather simple. But it might be wise to review the topic on derivatives, constrained optimization and other basic math concepts from <b>Year 1 Mathematics</b> . Also, prior knowledge of econometrics is required to understand some additional reading materials better
<b>Research skills needed and developed</b>	This course develops research skills based on <b>formal economic modelling</b> , and requires some abstract thinking
<b>IT-skills needed</b>	Some Stata skills from Econometrics (Year 2) would be required for the Assignment
<b>Related Courses</b>	<b>Previous courses:</b> Mathematics (Year 1), Microeconomics (Year 1), Macroeconomics (Year 1), International Economics (Year 2), International Finance (Year 2), Econometrics (Year 2)
<b>Students eligible</b>	Year 3 and exchange students, as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	This course covers various topics in <b>International Macroeconomics</b> . Since all students come from small countries, it is essential to focus on the issues of open economy and interaction with other countries. Namely, students will have a deeper understanding of current account and exchange rate determinants. At first, the course covers the intertemporal trade model to understand why countries run <b>current account</b> deficits and surpluses, and when current account deficits are sustainable. The course will also use different theories related to money supply and demand, to explain the most important price in international macroeconomics – <b>exchange rate</b> . Students will understand the causes of exchange rate volatility, discuss the law of one price and its failure and study the concept of real exchange rate. Afterwards, the exchange rate and the real side of the economy will be linked to study the effect of monetary and fiscal policy on output, current account and exchange rates. The final big topic will cover <b>monetary policy</b> and the role of central banks in more details. Students will study various tools of monetary policy (of course, including recent unconventional instruments), discuss goals and targets of monetary policy, list the main transmission mechanisms of monetary policy and touch the issue of optimal currency zone
<b>Content</b>	<b>Topic 1: Introduction to the course</b> - Linking this course to Macroeconomics, Microeconomics, International Economics and other courses - The Roadmap of the course

	<p><b>Topic 2: National Accounts and Balance of Payments</b></p> <ul style="list-style-type: none"> <li>- National income accounts</li> <li>- Balance of payments accounts</li> </ul> <p><b>Topic 3: Intertemporal Trade and Current Account Balance</b></p> <ul style="list-style-type: none"> <li>- Link between current account and financial flows</li> <li>- Intertemporal trade in small economy</li> <li>- Fiscal policy, investments and the current account</li> <li>- Global intertemporal trade</li> <li>- Transversality condition</li> <li>- Current account sustainability</li> </ul> <p><b>Topic 4: Determinants of Exchange Rate in the Short and Long Run</b></p> <ul style="list-style-type: none"> <li>- Foreign exchange market: demand, supply and equilibrium</li> <li>- Covered and uncovered interest rate parity</li> <li>- Money supply and demand</li> <li>- Money supply and exchange rate in the short run</li> <li>- Money supply and exchange rate in the long run</li> <li>- The law of one price</li> <li>- Purchasing power parity</li> <li>- Real exchange rate</li> </ul> <p><b>Topic 5: Output and the Exchange Rate in the Short Run</b></p> <ul style="list-style-type: none"> <li>- Output market equilibrium in the short run</li> <li>- Asset market equilibrium in the short run</li> <li>- Effect of monetary and fiscal policy on output and current account</li> </ul> <p><b>Topic 6: Monetary Policy and Central Banks</b></p> <ul style="list-style-type: none"> <li>- Money supply</li> <li>- Tools of monetary policy – conventional and unconventional</li> <li>- Goals and targets of monetary policy</li> <li>- Transmission mechanisms of monetary policy</li> <li>- Fixed versus flexible exchange rate regimes</li> <li>- Optimal currency zone</li> </ul> <p>Structure of the ECB and the ESCB</p>
<p><b>Structure and Format</b></p>	<ul style="list-style-type: none"> <li>- Lectures (18 x 90 min)</li> <li>- Independent study of the materials posted on the course home page on the e-learning platform</li> <li>- One thematic reading assignment</li> </ul>
<p><b>Literature and other resources</b></p>	<p>This course does not rely on one single textbook: it is based on several seminal sources</p> <ul style="list-style-type: none"> <li>- <b>Krugman and Obstfeld "International Economics: Theory and Policy", Parts 3 and 4 (7th or 8th edition)</b> – to review the main concepts of national accounts and balance of payments statistics, exchange rate determinants, as well as output and exchange rate interaction. This book is on the whole rather user friendly but perhaps technically more simple than is ideal for a course at this level</li> <li>- Several chapters from <b>Mishkin "The Economics of Money, Banking, and Financial Markets" (10th edition)</b> to have an in-depth view on goals and tools of monetary policy, transmission mechanisms of monetary policy and the structure of central banks (selected chapters will be available on the elearning platform)</li> <li>- Two introductory chapters of <b>Obstfel and Rogoff "Foundations of International Macroeconomics"</b> for the intertemporal trade model. While this book is rather advanced and definitely exceeds the bachelor level, it is useful to show how modern macroeconomics looks like and prepare students for potential Master studies (selected chapters will be available on the elearning platform)</li> </ul> <p>The course intensively borrow from seminal empirical studies (will be available on the elearning platform) as well as some recent discussions from the <b>VOX CEPR's policy</b></p>



	<p><b>portal</b> (<a href="http://www.voxeu.org">www.voxeu.org</a>). These materials are usually very short (2-3 pages) and easy to read, although based on a serious academic research. Students are highly recommended to read articles and blogs on VoxEU regularly if interested in the overview of current economic thinking</p>
<b>Learning Outcomes</b>	<p>The expected <b>learning outcomes</b> are:</p> <ul style="list-style-type: none"> <li>- To develop an understanding of current account and exchange rate determinants</li> <li>- To understand how the monetary policy operates and study its main transmission channels</li> <li>- To get an idea about modern models of international macroeconomic</li> <li>- To be able to read basic macroeconomic statistical reports like National Accounts and Balance of Payments</li> </ul>
<b>Attendance</b>	Attending lectures is not mandatory but highly recommended
<b>Requirements and Grading</b>	<p><b>Final exam</b> (70%)  <b>One reading assignments</b> (30%)  Requirements for pass: <b>100 points in total AND at least 50% in final exam.</b>  <b>Debtors</b> are required to pass both, the assignment and the final exam</p>

## 27. Specialization Course: Retail Fundamentals

<b>Core Course Team</b>	<b>Yuri Romanenkov, Course Director</b> , yuri.romanenkov@sseriga.edu Aivars Timofejevs, Course Manager, aivars.timofejevs@sseriga.edu
<b>Department</b>	Business and Management
<b>Lecturer(s)</b>	Yuri Romanenkov, SSE Riga Peter Fedchenkov, Instamart, Founder & CEO Dr. Mattias Svahn, SSE Dr. Jens Nordfält, SSE Deividas Tumas, Strategy Labs, Managing Partner
<b>ECTS Credit Points</b>	<b>15 ECTS</b> ; Specialisation course
<b>Course Prerequisites</b>	SSE Riga Required Curriculum – completed Year 1 & Year 2
<b>Research skills needed and developed</b>	Fieldwork & primary research
<b>IT-skills needed</b>	Excel, PowerPoint
<b>Related Courses</b>	Strategy, Marketing, Managerial Economics, Organisation & Management, Accounting courses, Microeconomics, Macroeconomics
<b>Students eligible</b>	Year 3, Exchange Students
<b>Introduction (Course objectives)</b>	<ol style="list-style-type: none"> <li>1. Give students an overview of the fundamentals of the modern retail industry and the business &amp; economic context it operates in;</li> <li>2. Help students develop an initial practical toolkit for a successful start of a career in retail and adjacent industries (e.g. consumer products, media, digital marketing agencies, etc).</li> </ol>
<b>Content</b>	<p>The course will be structured in four Classroom Modules and a Class Project.</p> <p>The Classroom Modules are, as follows:</p> <ol style="list-style-type: none"> <li><b>1. Strategy &amp; Business Models</b> (<i>August</i>) <b>(Peter Fedchenkov, Founder &amp; CEO, Instamart)</b> This module will explore the core elements of major business models in retail and key retail formats. It will include coverage of grocery, specialist retail, online, and omnichannel retail.</li> <li><b>2. Marketing</b> This module will explore marketing and commercial aspects of retail. It will be further divided into two sub-modules: <ol style="list-style-type: none"> <li><b>a. The Changing Face of Marketing</b> (<i>September</i>) <b>(Dr. Mattias Svahn, SSE)</b> This sub-module will explore fundamental change that marketing practices are going through, driven by the evolution of the consumer and enabled by developments in digital technology. It will present a broad overview of key trends, zooming in on aspects relevant to retail.</li> <li><b>b. In-store Marketing</b> (<i>September – October</i>) <b>(Dr. Jens Nordfält, Assistant Professor, SSE)</b> This sub-module will demonstrate and discuss how the store can work with their range and their store environment to effectively influence shoppers' purchase decisions (over two-thirds of which are made in-store).</li> </ol> </li> <li><b>3. Store Operations &amp; Supply Chain</b> (<i>October – November</i>)</li> </ol>

	<p><b><i>(Deividas Tumas, Managing Partner, Strategy Labs &amp; Strategy Labs Retail &amp; Consumer Practice team)</i></b></p> <p>This module will explore how retailers create value through efficient operations, highly relevant in this extremely competitive industry. It will cover application of LEAN in store operations, end-to-end distribution &amp; supply chain and other relevant aspects of operations.</p> <p><b>4. The Future of Retail</b> <i>(November)</i>  <b><i>(Yuri Romanenkov, SSE Riga)</i></b></p> <p>The module on the future of retail will build on the concepts learned in the previous modules to open up the discussion of the rapid evolution the retail industry is now undergoing and its outlook for the future. It will touch on urbanization &amp; demographic evolution, globalisation, the next generation of shoppers, retail technology &amp; stores of the future. The module will conclude with a course capstone class returning to the strategic fundamentals of this industry.</p> <p><b>Class Project</b> <i>(September - November)</i></p> <p>The Class Project will have teams of students partner with a retailer for an analytical project. The projects will be designed by the Course Leadership together with our partner retailers, and, whilst their content will differ between different projects, they will all focus on solving a real retailer’s problem and involve three key steps:</p> <ol style="list-style-type: none"> <li>1. Fieldwork</li> <li>2. Research &amp; analysis</li> <li>3. Presentation of conclusions &amp; recommendations to the retailer and other students in the Retail Specialisation course</li> </ol>
<p><b>Structure and Format</b></p>	<p>The course will use a range of formats, including:</p> <ul style="list-style-type: none"> <li>- <b>Case discussion seminars</b> (which will involve the standard cycle of individual preparation, team preparation, one-pager writing, class session, and individual reflection)</li> <li>- <b>Lectures</b></li> <li>- <b>Guest lectures</b></li> <li>- <b>Class project</b> (as described above)</li> <li>- <b>Individual preparation / pre-reading</b></li> </ul> <p>Details on the structure and format of each individual module will be made available through the elearning platform prior to the start of the module.</p> <p>Classroom modules will run sequentially (as per above), class project will run in parallel to classroom modules.</p> <p>Students will choose their own teams and each team will be the same for the Class Project and the one-pager preparation for case discussions.</p>
<p><b>Literature and other resources</b></p>	<p>The course will draw on a range of types of literature and other inputs, that will form required reading, incl.:</p> <ol style="list-style-type: none"> <li>1. Cases</li> <li>2. Theoretical notes</li> <li>3. Articles</li> <li>4. Book chapters</li> <li>5. Online sources</li> </ol> <p>Detailed information on required literature for each course module will be available on the eLearning platform prior to the start of the module.</p>
<p><b>Learning Outcomes</b></p>	<ol style="list-style-type: none"> <li>1. Understanding of major retail business models, formats, and their key strategic characteristics (dimensions for strategic choices);</li> <li>2. Understanding of the principles and mechanics of the fundamental retail business drivers, incl. marketing &amp; commercial, store operations &amp; supply chain;</li> <li>3. Students’ own view on the future of the industry;</li> <li>4. Practical skills on research &amp; analysis relevant to the start of a professional career.</li> </ol>
<p><b>Attendance</b></p>	<ul style="list-style-type: none"> <li>- Attendance at Seminars and all Class Project activities compulsory</li> </ul>

<b>Requirements and Grading</b>	<ul style="list-style-type: none"><li>- Attendance at Lectures optional</li></ul> <hr/> <p><b>Grade structure</b></p> <ul style="list-style-type: none"><li>- Exam – 30%</li><li>- Class project report &amp; presentations – 40%</li><li>- Class participation – 30%</li></ul> <p>Passing the course will require a passing grade on the exam and a passing grade on the class project.</p> <p>Note that case one-pagers will be graded as pass/fail (failed one-pagers will need to be resubmitted)</p>
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## 28. Political Economy

<b>Course Director</b>	<b>Dominik Gerber</b> , Lecturer, dominik.gerber@sseriga.edu
<b>Department</b>	Economics
<b>Lecturer(s)</b>	None
<b>ECTS Credit Points</b>	4,5 ECTS
<b>IT-skills needed</b>	None
<b>Related Courses</b>	None
<b>Students eligible</b>	Year 3 and exchange students as well as debtors from previous study years
<b>Introduction (Course objectives)</b>	<p>This is an introductory course on the political ramifications of economic problems such as strategic interaction, collective action, growth, or inequality. We will explore how problems that have occupied leading economists over the last decades intersect with problems of power, policy choice, and institutional design, – problems as they are typically studied by political scientists.</p> <p>I venture to guess that many of you perceive little usefulness in the study of aspects of economics that are not immediately ‘quantitative’, that is, that are not analyzable in ways that bring the comfort of scientific or prognostic certainties. The overarching aim of this course is to demonstrate that such a view is shortsighted.</p> <p>Path-breaking empirical research on the functioning of markets or on equilibrium-formation in bargaining situations has seldom been motivated solely by economists’ faith in the intrinsic power of mathematics. Rather, the world’s leading economists care about these issues because they saw them as being part of a larger question of how to govern our societies to enable an efficient and fair coordination of our economic transactions. In other words: they saw economic problems as unavoidably entangled with <i>politics</i>.</p> <p>To substantiate this claim, we will look at some of the canonical texts in contemporary political economy – many of them by Nobel Prize winning economists – that deal with the problems of rationality (part 1), decentralized institutions (part 2), and welfare distribution (part 3). For each problem, we discuss and practically illustrate the challenges and dilemmas they pose to policy-makers. Among the practical cases we will take up are: the role of Facebook in the formation of individual preferences, the possibility of cooperation in the politics of nuclear deterrence, the efficient coordination of water resources in the Swiss Alps, and the desirability and feasibility of an unconditional basic income. The organizing ‘research question’ of this course is: ‘<i>why</i> and <i>how</i> must economists care about the functioning of political institutions?’</p>
<b>Content</b>	<p>To get a general introductory presentation of the issues raised in the course, students are strongly advised to read the first eight chapters of: Przeworski, Adam. 2003. <i>States and Markets: A Primer in Political Economy</i>. Cambridge University Press.</p> <p>Needless to say that you must have read the Friedman and Schelling chapters before our first meeting.</p> <p>Class Schedule (Dates and locations indicated below are subject to change. Please consult the e-learning calendar on a regular basis!)</p>

<p><b>Structure and Format</b></p>	<p><u>Part 1: What does the ‘Political’ in ‘Political Economy’ stand for?</u>  Lecture &amp; Discussion 1: Why economists are social scientists  Readings:  *Friedman, Milton. 1953. “The Methodology of Positive Economics.” In <i>The Philosophy of Economics</i>. Ed. Daniel M. Hausman. Cambridge University Press, 2008, pp. 145-178.  *Schelling, Thomas C. 1978. <i>Micromotives and Macrobehavior</i>. W. W. Norton, Chapter 1.  Lecture &amp; Discussion 2: Preferences and rationality: what is rational agency?  Readings:  *Hausman, Daniel M. 2011. “Mistakes about Preferences in the Social Sciences.” <i>Philosophy of the Social Sciences</i> 41(1): 3-25.  *Sen, Amartya K. 1977. “Rational Fools: A Critique of the Behavioral Foundations of Economic Theory.” <i>Philosophy &amp; Public Affairs</i> 6(4): 317-344.  Lecture &amp; Discussion 3: Preferences and rationality (continued): strategic interaction and the possibility of cooperation  Readings:  *Myerson, Roger B. 2007. “Force and Restraint in Strategic Deterrence: A Game-Theorist’s Perspective.” Strategic Studies Institute, United States Army War College, Carlisle PA.  *Axelrod, Robert. 2006 [1984]. <i>The Evolution of Cooperation (Revised Edition)</i>. Basic Books, Chapter 1.  <u>Part 2: Can decentralized economic institutions coordinate public goods?</u>  Lecture &amp; Discussion 4: Public goods and collective action  Readings:  *Olson, Mancur. 1971. <i>The Logic of Collective Action: Public Goods and the Theory of Groups</i>. Harvard University Press, Chapters 1 and 2.  Lecture &amp; Discussion 5: Decentralized coordination (I): Coasian Bargaining  Readings:  *Coase, Ronald H. 1960. “The Problem of Social Cost.” <i>The Journal of Law &amp; Economics</i> 3: 1-44.  Lecture &amp; Discussion 6: Decentralized coordination (II): self-governance and institutional development  Readings:  *Ostrom, Elinor. 1990. <i>Governing the Commons: The Evolution of Institutions for Collective Action</i>. Cambridge University Press, Chapters 2 and 3.  <u>Part 3: Welfare Economics</u>  Lecture &amp; Discussion 7: Measuring well-being  Readings:  *Stiglitz, Joseph E., et al. 2010. <i>Mismeasuring Our Lives: Why GDP Doesn't Add Up</i>. The New Press, Chapters 1 and 2.  Lecture &amp; Discussion 8: The conflict between efficiency and equality: what is an acceptable degree of inequality?  Readings:  *Rawls, John. 1999. <i>A Theory of Justice</i>. Belknap Press of Harvard University Press, §1-5, §11-17, §20-26  Lecture &amp; Discussion 9: Distributive dilemmas in social policy: the case of the ‘unconditional basic income’  Readings:  *Van Parijs, Philippe. 2006. “Basic Income: A simple and Powerful Idea for the Twenty First Century.” In <i>Redesigning Distribution: Basic Income and Stakeholder Grants as Cornerstones of a More Egalitarian Capitalism</i>. Ed. Erik Olin Wright. Verso, pp. 3-42.  *White, Stuart. 2006. “Reconsidering the Exploitation Objection to Basic Income.” <i>Basic Income Studies</i> 1(2): 1-17.</p>
	<ul style="list-style-type: none"> <li>- Lectures and discussion (9 x 90min)</li> <li>- Independent study of the assigned readings (available on the e-learning platform)</li> </ul>

	<ul style="list-style-type: none"> <li>- Five short written assignments (800 Words)</li> <li>- Final written exam ('open-book')</li> </ul>
<b>Literature and other resources</b>	The assigned readings are listed above under "Content"
<b>Learning Outcomes</b>	<p>The learning aims of this course are to:</p> <ol style="list-style-type: none"> <li>1. enrich our understanding of the relationship between economic outcomes and politics</li> <li>2. increase our awareness about the economic, political, and moral challenges underlying policy-making</li> <li>3. strengthen our ability to engage with complex academic texts</li> <li>4. develop a disposition for using well-structured and well-articulated arguments when reflecting on (what we take to be) the consequences of economic phenomena</li> </ol>
<b>Attendance</b>	<b>Class attendance is mandatory!</b> Attendance will be taken on a regular basis. I will accept excuses only if they can be backed up with exceptional reasons such as illness, emergencies, or religious holidays. In any event, <b>more than three absences will lead to the exclusion from the course.</b>
<b>Requirements and Grading</b>	<p><b>1. Readings and class participation</b></p> <p>As you see this is a reading intensive course. The assigned texts are quite difficult and unfamiliar in content and style to most of you. You are expected to come to class having thoughtfully read the required readings for that day. By thoughtful I mean that you keep track of the things that you can't understand, that confuse you, or that you disagree with. This requires that you approach the course material in a critical spirit and that you display the ability to voice your reflections in class. Smart and regular participation is important and will get you bumped up!</p> <p>Class participation will account for 10% of the overall course grade (maximum score: 20 points).</p> <p><b>2. Five short commentaries on the assigned readings</b></p> <p>During the course period each student must submit 5 short (typed) papers that address in a critical way some aspect of or problem with an assigned text. These papers are due in class on the day that the relevant reading has been assigned <b>and I will not accept them at any other time except under the direst of circumstances.</b> They may be no more than 1000 words long.</p> <p>Your commentary will begin with a paragraph about the author(s) for that day, a summary of the main arguments and concludes with a paragraph that critiques it in light of other material you have read or connects their arguments to your personal views. These papers must make clearly evident that you read the respective texts in their entirety.</p> <p>You can write on any assigned text you like, but to ensure that you do not wait until the final meetings of the course you must respect one condition: I expect each of you to write at least one assignment in each of the three parts of the course (see above in the "Content" section).</p> <p>Your performance on these papers will account for 50% of the overall course grade (maximum score: 100 points). Failure to comply with above condition will lead to 20 penalty points.</p> <p><b>3. Final exam</b></p> <p>The course concludes with a comprehensive exam covering all course material (lectures and readings). The exam will consist of three broad questions (one concerning each part of the course) which students must answer in the form of a short essay, employing a consistent argumentation. The exam will operate under an 'open-book' policy, meaning that all notes and course material can be used.</p> <p>Your grade on the exam will constitute 40% of the overall course grade (maximum score: 80 points).</p>

**To pass the course, students require a minimum score of 100 points overall!**  
**Statement on electronic devices: no cell phones, laptops or tablets in class!** The exception is if you have a learning disability that requires using an auxiliary device.  
**Statement on academic honesty:** this course operates on the assumption that the students are familiar with SSE Riga's policies on intellectual property and academic integrity. If you are unsure about whether a certain situation or practice is 'ok' or not, do not hesitate to ask me!

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### 30. Specialization Course: Finance

<b>Course Director</b>	<b>Anete Pajuste</b> , Associate Professor anete.pajuste@sseriga.edu	
<b>Department</b>	Finance & Accounting	
<b>Lecturer(s)</b>	<b>Anete Pajuste</b> , Associate Professor, anete.pajuste@sseriga.edu <b>Lublóy Ágnes</b> , Associate Professor, agnes.lubloy@sseriga.edu	
<b>ECTS Credit Points</b>	<b>7.5 ECTS</b> ; specialisation course	
<b>Course Prerequisites</b>	Financial Economics (attended)	
<b>Research skills needed and developed</b>	Econometrics	
<b>IT-skills needed</b>	Excel and STATA	
<b>Related Courses</b>	Financial Economics; Accounting and Finance	
<b>Students eligible</b>	Year 3 and exchange students, as well as debtors from previous study years	
<b>Introduction (Course objectives)</b>	The objective of the course is to provide in-depth knowledge in the field of finance, including market microstructure, portfolio management, market efficiency, behavioral finance, and financial risk management. The course also offers practical insights into entrepreneurial finance (including valuation) and discusses various empirical topics in corporate finance. As a last course before the bachelor thesis and graduation, it should fill the knowledge gaps necessary for bachelor thesis project, as well as provide some useful practical skills for the job market.	
<b>Content</b>	<p>Financial markets</p> <ul style="list-style-type: none"> <li>- Market design</li> <li>- Price formation</li> <li>- Liquidity</li> <li>- Market manipulation</li> </ul> <p>Informational efficiency and anomalies</p> <ul style="list-style-type: none"> <li>- Factor models and arbitrage</li> <li>- Anomalies and bubbles</li> <li>- Portfolio management</li> <li>- Behavioral finance</li> </ul> <p>Financial risk management</p> <ul style="list-style-type: none"> <li>- Value-at-Risk</li> <li>- Credit risk and credit default swaps</li> <li>- Operational risk</li> <li>- Systemic risk: financial networks and contagion</li> </ul>	<p>Entrepreneurial finance basics</p> <ul style="list-style-type: none"> <li>- The venture capital method in valuation</li> <li>- Term sheets</li> <li>- Shareholder agreements, share structure, dilution</li> </ul> <p>Empirical topics in corporate finance</p> <ul style="list-style-type: none"> <li>- Pricing models and valuation</li> <li>- Governance (boards of directors, compensation, insider holdings, etc.)</li> <li>- Corporate control and ownership concentration</li> </ul>
<b>Structure and Format</b>	The course is structured around a series of lectures and seminars. Lectures are accompanied by course readings, consisting of chapters from textbooks and articles. The course places a significant emphasis on the practical application of finance theory. To achieve this, students will complete research projects that integrate finance theory with empirical research methods. Several computer simulations will be used during the course. The course offers introduction to basic entrepreneurial finance through a computer-	

	based simulation (EntrepSIM <sup>®</sup> ). The aim of the venture simulation game is to give students hands-on experience in high-tech new ventures' startup, financing and growth. Through the use of a computer simulation students will be exposed to the difficulties of startup financing, the different stages of evolution new ventures go through and the evolving roles played by team members and finance providers throughout these phases. The game is played in a series of rounds over a simulated five year period.
<b>Literature and other resources</b>	Compilation of textbook chapters, research papers and surveys.
<b>Learning Outcomes</b>	Upon completion of the course, the students have a deeper understanding of financial market microstructure, informational efficiency, financial risk management, basic entrepreneurial finance issues and various empirical topics in corporate finance. The students gain practical skills in performing an event study and a research project using regression analysis.
<b>Attendance</b>	Mandatory
<b>Requirements and Grading</b>	Research project (in groups) (30%) EntrepSIM <sup>®</sup> simulation & one page write-up (in groups) (10%) Mid-course multiple choice in-class test (10%) Final written exam (50%)
<b>Dates for posting the grades</b>	Exam results: Final results: Re-exam results: