



APPLIES TO ACADEMIC YEAR 2014/2015

## VHL 3558 Business Analysis and Calculation in Retailing

### Programme

Bachelor of Retail Management (2. year)

### Responsible for the course

Robert Ingvaldsen

### Department

Department of Marketing

### Term

According to study plan

### ECTS Credits

7,5

### Language of instruction

Norwegian

### Introduction

The retail trade is an industry undergoing a rapid development and it is characterized by fierce competition. The owners, officers, employees and other interested parties in this trade are dependent on financial control in the individual shop. This requires necessary knowledge and skills in the area of finance and calculation in order to secure reliable operation and future yield.

### Learning outcome

On completion of the course in Business Analysis and Calculation in Retailing, the students should be able to carry out calculations and analyses showing the financial development of an enterprise. The objective is to create an understanding of how economics can be applied in practice as a basis for decision-making in connection with planning and follow-up of the enterprise and in connection with corrective measures related to operations. Furthermore, they are to understand the importance a critical attitude to such analyses and the information presented in the financial statements. The students should also be able to comment on the analyses and assess measures that may be implemented to follow up on the financial objectives of the enterprise.

### Acquired knowledge

- A general understanding of how economics can be applied in practice as a basis for decision-making in connection with planning and follow-up of the enterprise and in connection with corrective measures related to operations.
- A special understanding of the need for financial management in modern retailing enterprises.

### Acquired skills

- Be able to perform calculations and analyses showing the financial development of a retailing enterprise.
- Be able to comment on financial analyses and assess measures that can be implemented to follow up on the financial goals of the enterprise.
- Be able to calculate prices and follow up through actual cost calculations by means of the "calculation column".
- Be familiar with gross profit as a concept and how it may be applied to utilize the possibilities presented by better purchase, better calculations, better control of price reductions and reduced wastage.

### Reflection

- Understand the importance of a critical attitude to short-term periodic analyses and to the information presented in the financial statements.
- Develop a general focus

### Prerequisites

No special prerequisites apply for this course.

### Compulsory reading

#### Books:

Hoff, Kjell Gunnar. 2010. Bedriftens økonomi. 7. utg. Universitetsforlaget

#### Other:

Ingvaldsen, Robert. 2014. Arbeidsnotat og Kompendium for Økonomi og Kalkulasjon i Varehandelen. Handelshøyskolen BI. Notatet forklarer begreper, prinsipper, viser anvendelse og gir eksempler på aktuelle regneoperasjoner og analyser. Notatet publiseres på Itslearning

## Recommended reading

### Course outline

- Costs and income, including gross and net turnover
- Calculation and pricing, including the contribution method and the full costing method, the calculation column, selective calculation
- Pricing, including price elasticity, price sensitivity, reference price
- Balance sheet and profit and loss statement, principles
- Gross profit and contribution margin stated in NOK as a percentage
- Analyses, salary percentage, return on assets (equity and total assets)
- The purchasing budget and the sales budget
- Liquidity planning
- Price strategies

### Computer-based tools

No special computer-based tools are used in this course.

### Learning process and workload

The course consists of 36 hours of lectures and group work.

Coursework requirements:

Two compulsory exercise assignments will be set. One of these must be approved for the student to be allowed to sit for the examination. Feedback on the assignments (coursework requirements) will be given individually on itslearning or in plenary sessions in class.

The amount of self-study is estimated at about 200 hours.

Activity	Hours
Class participation and group discussions	36
Preparation for class / self-study	40
Assignments	70
Work on compulsory assignments	20
Self-study / preparations for the examination	30
Examination	4
<b>Total recommended use of time</b>	<b>200</b>

### Use of hours

#### Coursework requirements

Two assignments will be set. One of these must be approved for the student to be allowed to sit for the examination.

#### Examination

The course is concluded by a four (4) hour individual written examination.

#### Examination code(s)

VHL 35581 – written examination – counts for 100% the grade for the course VHL 3558, 7.5 credits.

#### Examination support materials

BI defined calculator TEXAS INSTRUMENTS BA II Plus TM, formulae sheet

#### Re-sit examination

A re-sit examination is offered in connection with the next scheduled course.

Students whose coursework requirement is not approved have not met the coursework requirement and are not allowed to sit for the examination. This means that they have to re-take the whole course later. Students who want to improve their grade may take a re-sit examination when the course is offered again.

#### Additional information