



BUSINESS SCHOOL

Course Outline 2019

BUSMBA 750: NAVIGATING THE BUSINESS ENVIRONMENT (15 POINTS)

Quarter 4 (1198)

Course prescription

Critically evaluates the business environment from legal, economic, political and social perspectives, at both the national and international levels. Develops skills to identify and influence major constraints and opportunities, and to use this critical understanding in strategic decision-making.

Goals of the course

Part One: First, the course aims to provide a basic framework to help understand how contemporary economics explains dramatic events in the national and international economy. An important part of this explanation focuses on the role of confidence, expectations and crowd psychology behaving in a different manner than would be suggested by studying individual behaviour. Without some form of coordination, individual behaviour can lead to inferior outcomes.

Second, the course discusses how the right kinds of public policies and institutions can be developed which focus the uncoordinated actions of individual households on good, rather than bad, overall outcomes. Understanding what constitute good policies and institutions and how they can be designed to influence economic and business behaviour in desirable directions is crucial.

Third, the course examines how the behaviour of the private sector shapes beliefs amongst the public and influences the degree of support for capitalism and free markets. We aim to understand how corporate social responsibility affects the design of public policies and institutions.

Finally, the course is intended to develop a simple framework that can be used to evaluate how globalization is likely to change the performance of specific markets and thus assess the associated risks, opportunities and implications for public policy.

Part Two: The second half of this course focusses on key areas of the law affecting business enterprises in New Zealand. The course discusses the impact of the legal environment, common legal issues and relevant institutions critical to achieving the strategic objectives and management objectives of the organisation or enterprise.

To be able to identify fundamental issues in contract, employment, data privacy and competition law in a business context is a vital skill. This course is designed to highlight several essential areas of law in a business environment and to appreciate how and why these respective areas of law interact with New Zealand's legal system. The course ends by examining the role of Commerce Commission as a key regulator of competition in New Zealand.

Learning outcomes (LO)

By the end of the course, it is expected that students will be able to:

#	Learning outcome	Graduate profile capability*
LO1	Appreciate how business, government and the global economy interact in order to enable you to enjoy a competitive advantage as a manager or business owner.	1. Disciplinary Knowledge and practice. 4a. Communication (Oral)
LO2	Make more informed managerial decisions by having a better understanding of the genesis of booms and busts.	1. Disciplinary Knowledge and practice. 2. Critical thinking
LO3	Have a more coherent framework for analysing how economic policy is set by the public sector to influence macroeconomic phenomena.	1. Disciplinary knowledge and practice 3. Solution seeking
LO4	Help you to make ethical business decisions and understand how corporate responsibility affects the extent to which people support capitalism and their trust in the business community.	1. Disciplinary knowledge and practice 5a. Independence 5b. Integrity 6. Social and environmental responsibilities
LO5	Identify the role and interaction of the three branches of Government in the New Zealand legal system in the context of business in New Zealand	1. Disciplinary knowledge and practice 2. Critical thinking
LO6	Apply the elements of contract formation in determining whether a contract has been validly formed and differentiate between various types of contractual terms and representations in practical scenarios	1. Disciplinary knowledge and practice 2. Critical thinking 3. Solution seeking
LO7	Identify the legal issues associated with employment matters and data privacy in a business setting	1. Disciplinary knowledge and practice 2. Critical thinking 5a. Independence 5b. Integrity
LO8	Explain the key legislative provisions and the role of the Commerce Commission in regulating fair trade and competition in New Zealand	1. Disciplinary knowledge and practice 2. Critical thinking 4a. Communication (Oral) 4b. Communication (Written)

* See the graduate profile this course belongs to at the end of this course outline.

Content outline

Week / Module	Topic	Relevant learning resources/activities	Assessment due this period
PART ONE			
Class 1/ Week 1	Analytical Framework - GDP, Markets - The causes of 'short-run' business cycles	Course-book Case Study: <i>"The Choice of Exchange Rate Regime"</i> Case Study: <i>John Maynard Keynes: Life, Times and Writing</i>	
Class 2/ Week 1	Institutions and causes of 'long run' economic performance - The role of the public sector - The role of the private sector	Douglass North, Nobel Prize Lecture. <i>Milton Friedman, "The Social Responsibility of Business is to Increase Profits"</i> <i>Kenneth Arrow, "Social Responsibility and Economic Efficiency"</i>	
Class 3/ Week 3	Corporate Social Responsibility and the Legitimacy of Capitalism	<i>Kenneth Goodpaster and John Mathews, "Can a Corporation Have a Conscience?"</i>	Assignment 1
Class 4/ Week 3	Markets vs Intervention	Case Study: <i>Eliot Spitzer: Pushing Wall Street to Reform (Harvard Business School)</i> .	Test 1
Class 5/ Week 5	Comparative Economic Systems	Case Study: <i>Governing the "Chinese Dream": Corruption, Inequality and the Rule of Law (Harvard Business School)</i> .	

PART TWO

Class 6/ Week 5	Legal system in New Zealand: sources of law, the common law system, separation of powers, parliamentary/legislative supremacy, the role of the executive, the court structure and hierarchy, role of crown entities and regulatory bodies	Coursebook: Longdin (ed) <i>Law in Business and Government in New Zealand</i> , Palatine Press, 4-00 Course book: Watson (ed) <i>Law for Business</i> , Akoranga Press, 2.5-2.5.1, 2.13-2.15 (excerpts), 2.8 and 2.18-2.18.6	
Class 7/ Week 7	Contract law: three essentials of contract formation: offer and acceptance, consideration and intention to create legal relations	<i>CLiNZ</i> part 2 chapter 2 paras 2.1 to 2.4 <i>CLiNZ</i> part 2 chapter 3 paras 3.1 to 3.1.15 <i>CLiNZ</i> part 2 chapter 3 paras 3.2 to 3.2.9 <i>CLiNZ</i> part 2 chapter 3 paras 3.4 to 3.4.2	
Class 8/ Week 7	Contract law cont: contractual terms (express and implied), representations and if time allows breach of contract and remedies available	<i>CLiNZ</i> part 2 chapter 4 paras 4.1 to 4.2.6 <i>CLiNZ</i> part 2 chapter 4 paras 4.4 to 4.4.3	Test 2
Class 9/ Week 9	Data privacy - Privacy Act 1993, Privacy Bill 2018, Office of The Privacy Commissioner, guest lecturer Employment law - Employment Relations Act 2000, the Employment Relations Authority and the Employment Court, guest lecturer	<i>CCH Intelliconnect</i> : 2-008, 32-030 to 32-035, 32-070-32-072 Guest lecturers (2) Course book: Watson (ed) <i>Law for Business</i> , Akoranga Press, 10.1	

Class 10 /Week 9	Fair trading and competition law in New Zealand: Fair Trading Act 1986, Commerce Act 1986, Commerce Commission	<p>Course book: Watson (ed) <i>Law for Business</i>, Akoranga Press, 13.1-13.3</p> <p>CLiNZ part 3 chapter 9 paras 9.1 to 9.2.5</p> <p>Course book: Watson (ed) <i>Law for Business</i>, Akoranga Press, 3.7</p> <p>Course book: Watson (ed) <i>Law for Business</i>, Akoranga Press, 10.4</p> <p>CLiNZ part 5 chapter 31 paras 31.1.1</p> <p>CLiNZ part 5 chapter 31 paras 31.6.1 to 31.6.3</p> <p>CLiNZ part 5 chapter 31 paras 31.7.1</p> <p>Course book: legislative excerpts</p>	Assignment 2
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Learning and teaching

The course is co-taught since it draws on several different disciplines. The first half focusses on the economic and political perspectives. It also discusses the important role of psychology in understanding how the business environment works. The second half of the course draws more on the legal discipline. However, little prior knowledge of these different disciplines is required.

Our classes meet on Fridays and Saturdays. They will be used for a combination of teaching and discussions. Students should prepare before each class. It is essential to have read the prescribed material beforehand to ensure high quality discussion, debate and participation by everyone.

All required materials can be found in the course-book and on CANVAS. Feedback will be sought throughout – informally, via evaluation, and student representatives. You can contact us anytime via email and we can talk by phone, or meet up in our offices.

Teaching staff

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Learning resources

Part One:

All required materials are contained in a course book which will be handed to you at the start of the first class. The textbook, Macroeconomics, by Greg Mankiw, Latest Edition, Worth Publishers, is recommended if you wish to do further background reading on the topics that we cover. It is not required although I will link each topic to its corresponding chapter in the book. You may like to have this book as a reference after the course has finished should you wish to learn more about the subject.

You may like to read Global Economic History: A Very Short Introduction, Oxford University Press, by Robert Allen (2011), as an introduction.

The required readings are as follows:

John Maynard Keynes: Life, Times and Writing (Harvard Business School)
The Choice of Exchange Rate Regime (Harvard Business School)
Douglass North, "Economic Performance through Time", Nobel Prize Lecture, 1993.
Milton Friedman, "The Social Responsibility of Business is to Increase Profits" (New York Times, 1970)
Kenneth Arrow, "Social Responsibility and Economic Efficiency", Public Policy, 1973.
Kenneth Goodpaster and John Mathews, "Can a Corporation Have a Conscience?", Harvard Business Review, 2003.
Eliot Spitzer: Pushing Wall Street to Reform (Harvard Business School).
Governing the "Chinese Dream": Corruption, Inequality and the Rule of Law (Harvard Business School).

Part Two:

The required readings are as follows:

Watson (ed): Law for Business, Akoranga Press, 2013
Longdin (ed): Law in Business and Government in New Zealand, Palatine Press, 2006
LexisNexis Commercial Law in New Zealand (**CLiNZ**): <http://www.lexisnexis.co.nz/en-nz/products/commercial-law-in-new-zealand.page>

Other useful resources:

Legislation: <http://www.legislation.govt.nz/>
Executive/policy: <https://www.beehive.govt.nz/>
Courts: <https://www.justice.govt.nz/>
Treasury: <https://treasury.govt.nz/about-treasury/who-we-are>
State Services Commissioner: <http://www.ssc.govt.nz/sscer>
Crown entities: <http://www.ssc.govt.nz/cegm>
Commerce Commission: <https://comcom.govt.nz/>

Employment law in NZ:

<https://www.employment.govt.nz/about/about-employment-new-zealand/>
<https://www.employment.govt.nz/resolving-problems/steps-to-resolve/labour-inspectorate/>
<https://www.employment.govt.nz/resolving-problems/escalation-unresolved-problems/employment-relations-authority/>
<https://www.employmentcourt.govt.nz/>

Privacy law in NZ:

Privacy Commissioner: <https://www.privacy.org.nz/about-us/introduction/>

Privacy Act 1993 – 12 principles: <https://www.privacy.org.nz/the-privacy-act-and-codes/privacy-principles/>

Privacy for agencies: <https://www.privacy.org.nz/privacy-for-agencies/how-to-comply-with-the-privacy-act/>

Assessment information

Assessment task	Weight %	Group and/or individual	Submission
Part I			
Assignment 1	25	Individual	Typed or hand written, submitted via CANVAS
In-class participation	5	Individual	
Test 1	20	Individual	Hand-written hard copy
Part II			
Test 2	20	Individual	Hand-written hard copy
In-class participation	5	Individual	
Assignment 2	25	Group	Typed or hand written, submitted via CANVAS

Pass requirements

To pass the course, a mark of over 50% is required on the aggregate of all the assessments. Students are expected to prepare before coming along, attend all classes, participate in discussions and debates, and submit assignments on time.

Description of assessment tasks

Assessment task	Learning outcome to be assessed
Assignment 1	LO1, LO2
Assignment 2	LO8
In-class participation	LO1, LO2, LO3, LO4, LO5, LO6, LO7
Test 1	LO1, LO2, LO3, LO4
Test 2	LO6

Inclusive learning

Students are urged to discuss privately any impairment-related requirements face-to-face and/or in written form with the courses convenor/lecturer and/or tutor.

Academic integrity

The University of Auckland will not tolerate cheating, or assisting others to cheat, and views cheating in coursework as a serious academic offence. The work that a student submits for grading must be the student's own work, reflecting his or her learning. Where work from other sources is used, it must be properly acknowledged and referenced. This requirement also applies to sources on the worldwide web. A student's

assessed work may be reviewed against electronic source material using computerised detection to provide an electronic version of their work for computerised review.

Student feedback

The University of Auckland evaluates the quality of teaching and of courses by using the Summative Evaluation Tool, or SET. Summative evaluation is formal, summative evaluation of teaching undertaken according to University policy and is conducted at the end of a semester/quarter through the use of the formal University SET instruments. Summative evaluation is used by teachers to reflect on their teaching practice, and is also used by the University for quality assurance of teaching and courses.

In the event of an unexpected disruption

We undertake to maintain the continuity and standard of teaching and learning in all your courses throughout the year. If there are unexpected disruptions, the University has contingency plans to ensure that access to your course continues and your assessment is fair, and not compromised. Some adjustments may need to be made in emergencies, In the event of a disruption, the University and your course coordinators will make every effort to provide you with up to date information via Canvas and the University website.

Graduate profile for Master of Business Administration

The following six themes represent the capabilities that the Business School seeks to foster in all of its graduates. The development of these capabilities does not come all at once, but rather is expected to build from year to year. Each course is not expected to contribute to all capabilities, but each course will have its own goals and learning outcomes that relate to the overall development of this profile.

Graduate Profile	
1. Disciplinary knowledge and practice	Building on their existing experience, graduates will be able to demonstrate advanced knowledge of general management theory and apply this effectively in a range of contexts.
2. Critical thinking	Graduates will be able to effectively evaluate and synthesise evidence from multiple sources to develop coherent and evidence-based arguments.
3. Solution seeking	Graduates will be able to identify, prioritise, frame and analyse complex problems, develop creative and practical solutions, and understand the impact and implications of planned implementation.
4. Communication and engagement	Graduates will be able to work effectively in teams, influence and lead others, and engage varied audiences by communicating professionally using multiple formats.
5. Independence and integrity	

Graduate Profile

Graduates will be able to engage in independent and ethical decision-making and behaviour, demonstrating self-reflection self-management in complex and ambiguous situations.

6. Social and environmental responsibility

Graduates will recognise, in relation to their field, the potential significance of the principles underpinning the Treaty of Waitangi and sustainability, and demonstrate capability to shape business practice accordingly where appropriate.