

PROGRAM: Exchange Program / Double Degree UCP
 SUBJECT: Brazilian Business Environment Perspective
 LANGUAGE: English
 PROFESSOR: Istvan Kasznar
 WORKLOAD: 30 hours
 REQUIREMENTS: not applicable
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TEACHING PLAN

1. Course Description

Business Environment deals essentially with entrepreneurial, market, strategic, technologic, commercial and financial decisions, among others, which are made and developed by and through institutions and organizations.

Since corporations face significant challenges in these areas, it is relevant to look closer for macro and microeconomic, legal, contract and the above mentioned matters and questions.

At least three of them should be answered and solved continuously by managers: In what to invest, divest, maintain our resources and during how much time? How these investments should and could be paid, optimizing the Capital Structure of the company? And given these decisions, which is the highest Value the company is able to conquer, to maintain growth and satisfy shareholders, with positive and attractive dividends?

This means that the Strategic Plan, the Business Plan and the Immediate Action Plan of an organization should be known and structured. And this is also the main objective of this course: to offer hints, suggestions, routes and solutions for a better analysis of the Business Environment, which affects the organizational decisions.

This subject, **Business Environment**, is central for the construction and discussion of relevant competitive tools, in order to define and suggest correct market decision making and the financial trade.

The understanding of shareholders, stakeholders, businesspersons, bankers, governments, consumers, users of goods and services and the like promotes a better capacitation towards decision making.

Our main objectives in this sense are to present, debate and qualify some of the most important and well established environmental tools and rules, with scenarios modelling, in order to create effective financial and economic Value for a firm.

The Basic Program

Business. Business Environment. Organizations. Institutions. The market. The Society. Education. Culture. Behaviors. Relationships. The Economy. The Legal, Constitutional, Business Frame. Members of the Business Environment. How to interpret and understand business environments. Dynamic, non-dynamic, traditional markets. Structures and levels of environmental management. Government. Institutions. Shareholders and Capital Markets. Shareholders and the Supply Chain. Suppliers. Demand and customers. Users. Linking the members of business environments. Meeting the promoters and leaders of business. Good, bad, neutral business environments: main characteristics. How to detect them and their operational mode. The past and the future. Creating Business Scenarios. TIRPRE Model. Attractiveness of the Industry. The General Motors Model. The Shell Model. Economic and managerial Models. PESTLE. Workshops: groups develop the Brazilian entrepreneurial and business scenarios.

2. Scope & objectives

The student should be able to improve its skills, being able to absorb theoretical essential tools, systemic models and good examples, in order to strengthen corporate-level decisions in face of changing conditions in a globalized world.

3. Learning outcomes

This discipline should help participants to acquire, develop, improve, upgrade and sophisticate the following competencies:

- To dominate some of the most relevant business related theories and tools;
- To understand the main reasons and complexities related to business decision making;
- To be able to develop abstract and concrete thoughts, moving easily towards a more integrated comprehension of the entrepreneurial world.

4. Course methodology

This course relies on various methods as the means for individual and group learning.

The professor presents the essential theories, tools, formulas and methods, explaining them and opening for debates and discussions.

The students read the materials and bibliographic references, opening up for remarks, observations, questions and quick, objective, debates in classroom. This should happen before, during and after the classes.

The supply of data and information would allow all students to develop and answer some exercises, to practice what has been presented in class and read.

The professor is allowed to introduce:

Case Studies: The case study approach is an efficient way of speeding up managers' learning.

Readings: A student should read at least two books contained at the Bibliography section as well as recommended articles. Simultaneously, we recommend keeping well informed and abreast of the developments in the fast-paced and changing business world by reading the economic, financial and corporate business pressing every day, keeping track of remarkable events and determinant trends.

Exercises: Exercises invite for practices and cover different aspects for learning.

5. Detailed course content

Recommended requirements to study correctly the **Business Environment** discipline are related to a basic understanding of Financial Mathematics, Accountability, Marketing, Culture and Values, Macroeconomics and Microeconomics.

This asks for an understanding of basic Financial Mathematics.

Since cash flows, budgets, financial assets and liabilities, sources and uses of resources must be quantified, the Accountability, its patterns and rules establish in order data and information, which are essential for the understanding of financial past, present and future situations. This requires a basic comprehension of Accountancy and Accountability.

Managers also are living and working at a market place, which is more and more globalized. This means that the understanding of market, macroeconomic and microeconomic basic models helps to understand and even project what can happen under certain circumstances at the market. This makes managers look for scenarios and probabilistic situations for results.

6. Assessment procedures

How will we establish the Grades?

First of all, the most important is to learn and to participate.

Grades come as a natural consequence of good, productive, participative, concentrated studies. And then, the final note will be a combination of three notes, as follows:

Contribution of the student to the class	60 percent
Exercises developed per groups	40 percent

The contribution of students will consider among others the level of the answers and questions which are made; the quality of speeches and solutions, when asked and the capacity of financial reasoning.

The exercises developed per groups should be straight to the point, very objective, allowing plenty of participation for all members. Groups of 4 or 5 members are welcome.

The Grading criteria includes the correct use of theory and practice. If the student makes a proof or introduces an evidence of a fact, in a logical order and with consistency, notes go up.

7. General guidelines for the graduate program

As a general rule relating to the ethical principles and the code of conduct which steer its academic environment, EBAPE sets down the following:

- Autonomy and responsibility correspond to values which, when transformed into action, highlight the importance of EBAPE's mission of producing and disseminating knowledge of Administration. Consequently, it is the professor's responsibility to conduct roll call at every class, and absences will only be justified if they comply with the applicable legislation (see details in the Student Manual).
- We recommend that the use of communication equipment such as cell phones, radios and similar equipment should not be permitted in the classroom, so as to avoid interfering with the teaching and learning processes.

- Resorting to fraudulent measures of any kind on the part of students during any of the evaluation phases will lead to a zero grade being awarded and the immediate referral of the case to the program department for examination of the facts.ⁱ

8. REQUIRED AND ADDITIONAL READINGS

All readings will be available on Moodle. Please also read the international business press, especially the *Financial Times*, *Forbes*, and *The Economist*.

Books

- Archer, Stephen and D'Ambrosio, Charles A.; *The Theory of Business Finance – a Book of Readings*; Macmillan Publishing Co., Inc., New York; 1983
- Brealey, Richard; Myers, Stewart and Allen, Franklin; *Principles of Corporate Finance*; McGraw – Hill International Edition; 2008;
- *Doing Business in Brazil*; World Bank; years 2010 – 2015
- *Doing Business in several countries*; World Bank; years 2010 – 2015

Articles

Read some specific texts and articles from Elsevier, Emerald and Mc Graw Hill.

They will be presented in classroom.

9. Professor's mini-résumé

QUALIFICATIONS

Ph.D., Business Administration, California Coast University, USA; M.S., Economics, EPGE/FGV; B.S., Administration, EBAPE/FGV.

EXPERIENCE

Experience in the business, managerial, banking, agricultural, educational, corporate and institutional research and consultancy areas, for private and public companies both in Brazil and abroad. Coordinator of the Study Program for States and Municipalities (PEEM/EBAPE). Economist at Citibank (1985/1986); Economic and Planning Superintendent of the Rio de Janeiro Development Agency (1988/1989); President of the Technical Commission on Economics and Planning of the Union and Association of Banks; Technical Director of Institutional Business.

ⁱThe student is guaranteed the right to a full defense as per the School's internal regulations