

BHM 6th Semester - Syllabus

STT 105 Fundamentals of Statistics BHM, Third Year, Sixth Semester

Course Objectives

The aim of the course is to develop competency and ability to use statistical techniques and tools in hospitality and tourism data management and various research projects.

Course description

This course provides students with basic statistical concepts and techniques that are used in hotel management. It focuses on the application of statistics in hospitality and tourism data analysis and interpretation using different software. The course highlights: Basic Concept of statistics, Classification and presentation, Descriptive statistics, measure of dispersion, basics of probability and sampling techniques, tourism statistics and time series analysis of tourism statistics.

Course Contents

Unit I: Introduction

5 hours

Basic concepts of statistics, Terminologies associated with statistics such as populations and samples, Variables (Categorical and Quantitative Variable), Types and sources of data, Descriptive and inferential statistics, Data processing (Editing and Coding), Applications of statistics in hotel management.

Unit II: Data Classification and Presentation

8 hours

Summarizing the categorical and quantitative data, Frequency distribution, Relative and percentage frequency distribution, Cumulative frequency distribution, Diagrammatic and graphic presentation: Bar charts, Pie charts, Histograms, Scatter plots, Ogive, Cross tabulation, Stem and leaf display.

Project Work: Diagrammatic and graphical representation of tourism data by means of computer software.

Unit III: Descriptive Statistics: Numerical Measures

12 hours

Measure of Location: Mean, Median, Mode, Partition values: Quartiles, Deciles, Percentiles
Selection of measure of location.

Measure of Dispersion: Range, Inter quartile Range, Quartile Deviation, Standard deviation, Variance, Coefficient of variation,

Shape of the Distribution: Shape of the distribution by using Mean and Median, Five number summary, Box and whisker plot.

Project Work: Descriptive statistics and numerical measures of tourism and hospitality data by using computer software

Unit IV: Introduction to Probability

3 hours

Basics of Probability: Experiment, Event, Types of events

Probability Laws: Simple Additive and multiplicative law

Unit V: Sampling Technique

5 hours

Census and sampling, Types of sampling (Probability and Non Probability Sampling), determination of sample size

Unit VII: Tourism Statistics

10 hours

Definition of international and domestic tourist movement. Collection of data on tourist arrival, Departure and tourist expenditure, Presentation and tabulation of travel statistics. Tourism indicators measurement of Nepal.

Time Series Analysis of Tourism Statistics: Introduction, Components of times series, Measurement of trend: Graphical curve fitting method, Method of moving average and method of least square. Seasonal variation: method of simple average.

Unit VII: Simple Correlation and Regression

5 hours

Scatter diagram, Karl Pearson correlation coefficient, Simple regression analysis.

Basic Texts

1. Dennis J. S, Thomas A. W & Anderson, D. R. *Fundamentals of Business Statistic*. New Delhi: Cengage Learning.
2. Gupta, S. C. *Fundamentals of Statistics*. New Delhi: Himalayan Publishing House.

References

1. *Tourism Statistics of Nepal 2013 and latest publication*, Ministry of Culture, Tourism & Civil Aviation Planning & Evaluation Division Statistical Section
2. Joshi, P. R, Thagurathi, R. & Uprety, P. *Business Statistics*. Kathmandu: Buddha Academic Enterprises Pvt. Ltd

RDM 382 Advance Room Division Management
BHM, Third Year, Sixth Semester

Course Objectives

The purpose of this course is to provide the students with a broad and integrative introduction of the hotel industry in today's world, managing the front office department as well as the concept of law regarding the hospitality industry. The course also attempts to enable the students to understand the importance of personality, team and leadership as well as to manage their career.

Course Description

This course presents a thorough and systematic coverage of hotel industry, front office department, managing budget and controlling costs, room selling techniques, managing service experience, hospitality law, career management and development of leadership, personality and team, service management and recovery.

Course Outcomes

By the end of this course, students should be able to:

- understand hospitality industry, business ethics, management responsibilities;
- understand and prepare financial data, manage budget, also control expense;
- understand and explain room selling technique;
- understand and explain service management and recovery as well as managing the service experience;
- understand and develop personality, leadership and team work;
- understand career and manage their career.

Course Contents

Unit I: Hospitality Today

3 hours

Introduction the organization and structure of hotels, Restaurants, Clubs, Cruise ships, and casino hotels, Business ethics, Franchising, Management contracts, and areas of management responsibility such as human resources, Marketing and sales, and advertising.

Unit II: Hospitality Accounting Concepts

4 hours

Introduction, Concepts and procedures, The processing of hospitality financial data and the flow of financial information in the accounting cycle those results in the production of financial statements.

Unit III: Managing Budget and Controlling Expenses

6 hours

Introduction, Budgeting (Types, Objective, advantage and limitations), Budget planning process, The operating budget as a control tool, Identify the skills needed and manage effectively the departmental budget, Inventory, Material classification and any related pre-opening operations. Room Division Managers role in the hotel income statements and room's division income statements

Unit IV: Room Selling Techniques

5 hours

Introduction, Front office selling tips, Sales and marketing teams, Sales Man's BYE Laws, Service and service selling, Code of quality services, The service pyramid, Market places,

Planning of sales call, Discount and discount fixation policy, Up selling, Down sell, Substitute selling.

Unit V: Service Management and Recovery

9 hours

Introduction (Service quality, Nature of service), Guest, Guests needs (Tangible and Intangible Needs), Moment of Truth (MOT), Unhappy guest (Why do guest not come back?, Value of a loyal guest.), Basic difference between goods and services, 7 Gaps leading to customer dissatisfaction, Prescription for closing service quality gaps, Building a service quality information system, Quality service and customer care, Understanding cultural differences, Customer delight, Service recovery (Benefits of receiving complaints, Entry point for complaints, Some common causes of complaints, Turning situation into complaints, How to prevent complaints, Cause and symptom based solution, Complaint resolution procedure).

Unit VI: Managing Service Experience

4 hours

Introduction, Experience economy, Why care about experiences?, Trends to be addressed for successful services, Creating successful and satisfying experiences, Key dimensions to focus on during experience creation (Engagement, Context, Time), Evaluating service experience.

Unit VII: Personality, Leadership and Team Work

6 hours

Introduction, Personality (Personality determinants, Personality traits/ characteristics, The Big Five Model, Matching personality and Jobs, Emotional Intelligence).

Leadership (The nature of leadership, Manager vs. Leaders (Difference), Functions of Leadership, Top 10 leadership qualities).

Team Work (Team, Types of teams, Difference between group and team, Quality circles, Team building (How to build successful work teams).

Unit VIII: Career and Career Management

4 hours

Introduction, Career, Career management, Career development (internal and external career), Career stages, Need and objectives for career planning, Process of career planning and development, Employees role in career planning and development, Managers role in career planning and development.

Unit IX: Interpersonal Communication

2 hours

Basic communication system, Communication process, Hotel interdepartmental communication, Barriers of communication.

Unit X: Understanding Hospitality Law

5 hours

Introduction, Overview of legal obligations, Front office contracts for guest accommodation (Contract basics, Accommodation of guests), Front desk and legal concerns: Guest Safety (Guest Privacy, Guest Removal, Guest Property, Guest Nonpayment, Illness and Death in Guest rooms), the hotel and its employees, and laws relating to general hotel.

Basic Texts

1. Tewari, J. R. *Hotel Front Office – Operations and Management*. New Delhi: Oxford University Press.
2. Bhatnagar, S. K. *Front Office Management: New Delhi*: NCR Frank Bros. & Co.
3. Andrews, S. *Front Office Management & Operations*: New Delhi: Tata McGraw Hill

References

1. Andrews, S. *Hotel Front Office – A Manual Training*: New Delhi: Tata McGraw Hill.
2. Kasavan, L. M., & Brooks, R. M. *Managing Front Office Operations*: AH & LA, Michigan.
3. Woods, R. H., Ninemeier, J. D., Hayes, D. K., & Austin, M. A. *Professional Front Office Management*: Pearson Education.
4. Kotler, P., Bowen, J. T., & Makers, J. C. *Marketing for Hospitality & Tourism*: Pearson Education.
5. Metters, Metters, K. Pullman, & Walton. *Service Operation Management*: Cenage Learning.
6. Dessler, G., & Varkey, B. *Human Resource Management*: Pearson Education.
7. Berg. J. G., & Baron, R. A. *Behavior in Organization*: Prentice Hall India.
8. Robbins, S. P., Judge, T. A., & Sanghi, S. *Organizational Behavior*: Pearson Education.

FNB 372 Advanced Food Production Management (Theory)
BHM, Third Year, Sixth Semester

Course Objectives

The purpose of this course is to provide students with managerial knowledge and skill of food production department applicable to the catering industry. Students will develop their skill in designing and engineering menu, costing recipes and also have thorough knowledge in bakery productions.

Course Description

This course presents a thorough and systematic coverage of theoretical and practical aspects of bakery and pastry production, equipment and their operating procedures, menu designing, costing and evaluating, operating procedures of in-flight catering, and supervising food production department, kitchen communication, and quality assurance in food industry.

Course Outcomes

By the end of this course, students should be able to;

- understand and explain the bakery design and layout and bakery products;
- understand and explain the kitchen and bakery equipment and their operational procedures;
- understand and explain the kitchen supervisory functions;
- understand and explain the menu redesigning and engineering;
- understand and explain the recipe costing and pricing;
- understand the planning of functions;
- understand and explain the in-flight catering procedures;
- understand and explain kitchen communication with stakeholders;
- explain the quality assurance applications in food industry.

Course Contents

Unit I: Bakery

7 hours

Design and layout of bakery, Baking goods, Breads of the World (French, Italian, German, U K, USA), Introduction of raising, thickening and coloring agents (varieties of yeast, dough improver, pectin, bicarbonate of soda, cream of tartar, agar agar, gelatins, food dyes) used in bakery and pastry, Confections (coconut, marzipan fruits, mixed peels, gum drop diamonds, candy violets, baking chocolate, sugar drop, glace cherry).

Unit II: Cake and Pastry

4 hours

Basic composition of classical cakes and pastry, Modern trend of cake and pastry making, Types of cakes and their classification, Approach to cake decoration and serving, Writing and piping on cakes.

Unit III: Kitchen & Bakery Equipment

3 hours

Specific equipment and their operating procedures, Care and maintenance, Latest equipment (induction cookers, infrared cookers, oriental cooking ranges, gastro norm, modern equipment for making cakes and pastries)

Unit IV: Production Management**4 hours**

Introduction, Kitchen organization, Allocation work & duty rosters, Production planning & scheduling, Production quality and quantity control, Forecasting and budgeting.

Unit V: Recipe Costing and Pricing**6 hours**

Standard recipe, Recipe calculation, Canned and drained weight test, Yield calculation, Standard portion cost.

Unit VI: Menu Engineering**6 hours**

Menu redesigning and developing, Menu evaluation and engineering, Menu engineering grid, Menu engineering work sheet, Computing the cost of menu, Yield management.

Unit VII: In-flight Catering**3 hours**

Introduction, Design of in-flight food production kitchen, Work flow process, Production planning, Production control.

Unit VIII: Training and Development of Kitchen Staffs**3 hours**

Introduction, Induction training, Professional skill based training, On the Job training, Internship, Deskilling, and Multi-skilling.

Unit IX: Kitchen Communication**3 hours**

Introduction, Communication with internal customers (inter departments), External customers such as suppliers, medias, guests, local food inspections authority etc.

Unit X: Quality Assurance in Food Industry**5 hours**

Introduction, Aspects of health and safety in food industry, application of hazard analysis and critical control points (HACCP), ISO 22000, and Signage in the kitchen environment.

Unit XI: Case Study**4 hours****Basic Texts**

- Foskett, D. & Ceserani, V. *Theory of Catering*: London: Book Power.
- Bali, P. V. *Food Production Operations*: New Delhi: Oxford Press Publication.

References

- Bali, P. S. *Quantity Food Production Operations*: New Delhi: Oxford Press Publication.
- Pauli. E. *Classical Cooking the modern way*: New York: Van Nostrand Reinhold.
- Gringson, J. *The Book of Ingredients*: Spain: Michel Joshef Ltd.
- Graham, D. & Peters, M. *Cookery for Hospitality Industry*: Cambridge University Press.

FNB 372 Advanced Food Production Management (Practical)
BHM, Third Year, Sixth Semester

Course Objectives

The purpose of this course is to provide students with managerial thorough knowledge and skill in bakery and pastry productions applicable for small to large catering establishment.

Course Description

This course presents a thorough and systematic coverage of theoretical and practical aspects of bakery and pastry production, ingredients and equipment used in bakery and pastry productions.

Course Outcomes

By the end of this course, students should be able to;

- prepare varieties pastes products;
- prepare varieties of breads;
- prepare chocolates products;
- prepare icing for cake decoration;
- prepare sweets and desserts.

Course Contents

Pastry/Bakery

French, German, Italian, U K, USA breads, Laminated dough and paste products such as Danish, Croissants, Puffs, Doughnuts, Cookies, Chocolates, Fondants; Hot, cold and frozen sweets and desserts.

References

1. Foskett, D. & Ceserani, V. *Practical Cookery*: London: Book Power.
2. Bali, P. V. *Food Production Operations*: New Delhi: Oxford Press Publication.
3. Pauli. E. *Classical Cooking the Modern Way*: New York: Van Nostrand Reinhold.

FIN 133 Fundamentals of Financial Management

BHM: Third Year, Sixth Semester

Course Objectives

The aim of this course is to impart the fundamental knowledge of financial management to the students and enhance their analytical knowledge and skills in financial management of related industry through industry specific cases.

Course Description

This course is designed focusing the students who study only one semester course of financial management, and therefore it covers only the fundamental aspects of financial management. This course introduces financial concepts and principles, and explains how they apply to specific operations in non-financial service sectors such as hospitals, hotels, IT and travel businesses. This course covers introduction to financial management environment, financial statements and analysis of service industry, risk and return, time value of money, raising capital, cost of capital, capital budgeting, capital structure and leverage, dividend policy and working capital management.

Course Outcomes

By the end of this course, students should be able to:

- understand the basics of financial management, forms of organization of non-financial service industry and structure of financial markets and institutions;
- understand and analyze the financial statements of service industry using the key financial ratios;
- raise funds from the financial markets;
- apply the concept of time value of money to work out the value of different types of cash flows;
- calculate the component and composite cost of capital;
- apply the different techniques of capital budgeting to select the projects;
- understand basic aspects of capital structure and leverage; and
- explain dividend decision policies; and
- discuss the concepts and components working capital, and calculate the working capital cash flow cycle.

Course Contents

Unit I: Financial Management and Its Environment

6 hours

Nature of financial management; Finance functions; Role of the financial manager; financial goals; Forms of organizations; and an overview of financial institutions and markets.

Unit II: Financial Statements and Analysis

6 hours

Understanding financial statements: Income statement, Cash flow statement and balance sheet; Common size balance sheet; Ratio analysis: Short-term solvency measures, Long-term solvency

measures, Asset management measures, Profitability measures, Market value measures, The DuPont identity; Use and limitation of financial ratios.

Unit III: Time Value of Money

6 hours

Concept of time value of money; Present values and discounting; Future values and compounding; Annuities and perpetuities; Effective interest rate and average percentage return; Application of time value of money in hospitality industry.

Unit IV: Raising Capital

7 hours

Short-term versus long-term capital; Term loan; Bonds: meaning, types, Bond innovation; Preferred stock; Common stock: equity account in balance sheet, Rights and privileges of common stockholders; Cost and benefit of debt versus equity; Methods of selling securities; Initial public offerings; Concept and functions of investment bankers; Concept of venture capital; and concept of lease financing.

Unit V: Cost of Capital

4 hours

Concept of cost of capital; Component cost of capital: Debt, Preferred stock, Common stock, Retained earnings; Weighted average cost of capital, Application of cost of capital in financial decision making in hospitality industry.

Unit VI: Capital Budgeting

6 hours

Concept of capital budgeting; Types of projects; Capital budgeting techniques – payback period, NPV, IRR, Comparison of NPV with IRR, and profitability index; and application of capital budgeting techniques.

Unit VII: Capital Structure

4 hours

Concept of capital structure and financial structure; Setting target capital structure; Factors affecting capital structure; Business risk and financial risk; Operating and financial leverage.

Unit VIII: Dividend Decision

4 hours

Concept of dividend; Cash dividend versus stock dividend; Dividend payment process; Stock dividend and stock split.

Unit IX: Working Capital Management

5 hours

Concepts and components of working capital; Importance of working capital management; Types of working; Factors affecting working capital; and working capital flow cycle.

Basic Texts

Ross, S. A., Westerfield, R. W., & Jordan, B. D. *Fundamentals of corporate finance*. New Delhi: Tata McGraw-Hill.

References

1. Gapenski, L. C. *Healthcare finance: an introduction to accounting and financial management*. Chicago: Health Administration Press.
2. Andrew, W. *Financial management for hospitality industry*. USA: American Hotel and Lodging Association (AHLA).
3. Iyengar, A. *Hotel finance*. New Delhi: Oxford University Press.
4. Brigham, E. F., & Houston, J. F. *Fundamentals of financial management*. Singapore: Thomson South-Western.
5. Pradhan, R. S. et al. *Fundamentals of financial management*. Kathmandu: Buddha Education Publishers.
6. Manandhar, K. D. et al. *Fundamentals of financial management*. Kathmandu: Khanal Publication.
7. Paudel, R. B., Baral, K. J., Gautam, R. R., & Rana, S. B. *Financial management*. Kathmandu: Asmita Books Publishers and Distributors.

HRM 153 Hospitality Human Resources Management

BHM, Third Year, Sixth Semester

Course Objectives

The main objective of this course is to introduce students the various facets of people management in a working environment with special emphasis on hospitality industry. In the service sector, a polished and professional interpersonal behavior is of prime importance and concern at all levels. This course will equip students with the basic knowledge and understanding the human behavior at work.

Course Description

This course is a step-by-step description of the varied elements of handling human resource in an organization with focus on the hospitality sector. It focuses on planning and recruiting, development, evaluating, compensation and labor issue, safety and turnover of human resources.

Course Outcomes

By the end of this course the students should be able to:

- plan and recruitment of the best available human force;
- facilitate skill enhancement activities to the employees at various levels;
- evaluate of workers' performance and various performance appraisal methods;
- analyze compensation packages justified to the contribution of the workers;
- acquire negotiation and collective bargaining concepts and skill;
- understand health, Safety, and Employee Assistance Programs (EAPs);

Course Contents

Unit I: Planning and Recruiting

8 hours

Introduction, Planning Human Resources: Factors affecting planning; Demand and supply of Human resources, Labour market scenario in the hospitality industry.

Recruitment: The pre recruitment process, Internal and external recruiting, Recruiting from the applicant's viewpoint, Human Resource Information System (HRIS), Outsourcing.

Selection: Reliability and validity, Selection steps, Selection techniques, Reference checks and recommendations, Employment interviews.

Unit II: Human Resource Development

6 hours

Introduction: Orientation and Socialization – Orientation goals, Planning orientation programs, who should socialize new comers, Approaches to socialization.

Training and Development: Developing needs assessment, The training cycle, Developing a training program, Choosing training methods, Evaluating training, Career development.

Unit III: Evaluating Employee Performance

8 hours

Introduction: Functions of performance appraisals, Potential problems with performance appraisals, Who should evaluate performance.

Principal Appraisal Rating Systems: Trait based, Behavior based, and result based,

Methods of Appraising Performance: Ranking methods, Forced distribution; Graphic rating scale; Behaviorally Anchored Rating Scales (BARS), Behavior Observation Scale (BOS), narrative essays, Critical incidents, Management By Objectives (MBO).

Performance Appraisal Training: Frequency of performance appraisals.

Unit IV: Compensation and Labor Issues

10 hours

Introduction: Compensation administration – Major influences on compensation plans, Motivating employees, Job worth, Establishing pay structures, Current issues in compensation administration.

Incentive and Benefit Administration: Effective incentive programs, Individual and group incentives, Employee benefits.

Labor Unions: Features, objectives and types of trade unions, Why do workers join trade unions, history of trade unions, Trade union goal accomplishment strategies and actions, Challenges facing the trade union movement, Union free organizations.

Negotiation and Collective Bargaining: Issues in bargaining, Reasons behind bargaining, Preparing for negotiation, Choosing a negotiation team, Negotiation strategies, Mediation and arbitration, Strikes, Grievances.

Unit V: Safety, Discipline, and Ethics

8 hours

Introduction, Occupational Safety and Health Act of 1970 (OSHA): Legislation coverage and scope, Enforcement of OSHA standards, Employee rights under OSHA, Hospitality and OSHA; measuring health and safety

Employee Stress and Emotional Health: Sources of stress, Stress scores of hotel managers, Consequences of stress, Stress reduction

Employee Assistance Programs (EAPs): Setting up EAPs; cost saved by EAPs

Other issues in safety and health: Acquired Immune Deficiency Syndrome, Depression among employees; Wellness programs, Smoking in the workplace, Work life/ home life issues.

Unit VI: Turnover, Discipline and Exits

8 hours

Introduction, The turnover problem: Determining turnover rates, The cost of turnover, Causes of turnover, Retention programs, Turnover remedies, The impact of diversity on turnover, Keys to successful retention programs.

The use of discipline: Laying the groundwork, Approaches to administering discipline, Appeals mechanisms

Discharge, a last resort: Wrongful discharge, Employment at wills, Public policy, Discharge interviews

Exit Interviews: Guidelines for conducting exit interviews, What should you say on an exit interview

Basic Texts

Woods, R. H. *Managing Hospitality Human Resources*: USA: Educational Institute, American Hotel & Lodging Association.

References

1. R. Wayne Mondy, *Human Resource Management*: New Delhi: Pearson Publication.
2. Durai, P. *Human Resource Management*: New Delhi: Pearson Publication.
3. Dessler, G. *Human Resource Management*: Prentice Hall.
4. Agrawal, G. R. *Dynamic of Human Resource Management in Nepal*. Kathmandu: K. K Publisher and Distributors.

ECO 105 Tourism Economics
BHM, Third Year, Sixth Semester

Course Objectives

The course will provide students an understanding as to what constitutes a good economic way of thinking in general and tourism and hospitality industry in particular. This course envisages this thought process grounded in the understanding of the use of several economic concepts, models and theories. Drawing on issues in both microeconomics and macroeconomics, fundamental principles and applications are shown to transcend particular examples and allow the field to be seen as a coherent, unified whole.

Course Description

The course will provide a thorough and systematic understanding of economic concepts, models, theories and their applications particularly useful to tourism and hospitality industry students. Starting with the basic information of what economics studies about, the course will broaden its horizon to incorporate tourism demand and supply functions and their influencing variables.

Course Outcomes

By the end of this course, the students will be able to:

- understand how demand and supply interact in tourism and hospitality market structures to determine price and quantity of a goods and services produced;
- understand the links between tourist behavior and the economic aspects of demand and their influencing variables;
- apply economic reasoning to individual and firm behavior in tourism and hospitality market;
- understand the links between production and other costs and the economic aspects of supply and their influencing factors in tourism and hospitality market;
- understand the major characteristics of different market structures and the implications for the behavior of the firm;
- understand impact of tourism and hospitality market and its impact on national economy including investment decisions.

Course Contents

Unit I: Introduction

4 hours

Concept and scope of economics, Concept of tourism economics, Micro and Macroeconomic concepts, Uses and limitations, A brief concept of tourism industry of Nepal, Its importance and challenges for development.

Unit II: Resources in Tourism and Hospitality

3 hours

Free and scarce resources in tourism and hospitality industry and their uses, Controlling and rewarding resources use, Interrelationship between tourism and other sectors of the economy.

Unit III: Economics of Tourism Demand**8 hours**

Concept of tourism products, Products and buyers' objectives in tourism, Tourism demand schedule and demand, curve and Law of Demand, Types of variables influencing and constraining tourism demand, Levels of choices of tourists affecting tourism demand; Movement along the demand curve versus Shift in demand curve, Elasticity and their influence in tourism demand: price, income and cross elasticity of demand.

Unit IV: Supply Side Economics**4 hours**

Concept of supply of tourism products, Tourism supply schedule, Curve and Law of Supply, Factors affecting the supply of tourism products, Movement along the supply curve versus shift in supply curve, Factors influencing shift in supply curves, Elasticity of supply and its determinants, Equilibrium in the tourism and hospitality market.

Unit V: Production, Costs and Revenue in Tourism and Hospitality**8 hours**

Meaning of production, Meaning and Characteristics of factors of production, Concept of Production Function, Total, Average and Marginal Products, Law of variable proportions, Meaning of costs, Various concepts of costs: Money costs, Explicit and Implicit costs, Opportunity costs, and Accounting and Economic costs, Short run costs and their curves: Total costs, Average costs and Marginal costs and their graphical explanations, Concept of U-shaped AC curve, Long run costs and their curves: Long run average cost curves, Long run marginal cost curve, Economies and diseconomies of scale, Total, Average and Marginal revenues and their curves, Revenue under perfect and imperfect competitions.

Unit VI: Market Structure in Tourism and Hospitality**6 hours**

Meaning and characteristics of perfect competition, Equilibrium price and quantity in the market with perfect competition, Shortage and surplus, Individual firm's demand curve from market demand curve in a perfectly competitive market; Concept of Monopoly market, Reasons why monopoly arises, Price setting by a monopolist in tourism and hospitality industry, Price discrimination in monopoly market, Price determination in imperfect market.

Unit VII: National Income and Tourism and Hospitality**4 hours**

Various concepts of National Income; Measurement of national income: expenditure method, income method and product method, Difficulties in the measurement of national income.

Unit VIII: Impact of Tourism and Hospitality on National Economy**4 hours**

Importance of the impact of tourism and hospitality on national economy, Multiplier effects of tourism: employment and income multipliers, Inflation and its causes, Impact of tourism on Gross Domestic Products (GDP), on employment, on economic growth, Balance of payment and exchange rate.

Unit IX: Un-priced Values and Externalities**2 hours**

Tourists' values, Total value of public and non-tradable goods in tourism, Externalities, Cost benefit analysis for travel and tourism.

Unit X: Role of Government in Tourism and Hospitality**3 hours**

Macroeconomic management, Sectoral economic management, Tourism taxation, Government spending on tourism, Infrastructure investment and maintenance, Expenditure of National Tourism Organizations (NTO).

Unit XI: Investment in Tourism and Hospitality**2 hours**

Principles of investment, Investments in travel, tourism and hotels: Feasibility studies and investment models, Sources of Capital, Factors influencing travel and tourism's yields and future.

Basic Text

Adrain Bull, *The Economics of Travel and Tourism*: Pearson Longman.

References

1. Tribe, J. *The Economics of Recreation, Leisure and Tourism*: Taylor & Francis
2. N. Gregory Mankiw. *Principles of Economics*. South Western: Thomson, South Western.
3. Stabler, M. Papatheodorou, A, M. Thea Sinclair, *The Economics of Tourism*: Thomson, Routledge.
4. Adhikari, G. M. *Introductory Microeconomics*. Kathamandu: Asmita Publishers.
5. Adhikari, G. M. *Macroeconomics*. Kathamandu: Asmita Publishers