

# TOPICS OF THE SUBJECT PART OF THE STATE EXAMINATION

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| Level of study:  | 1st degree (bachelor)             |
| Study programme: | Business economics and management |

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## **CORPORATE FINANCIAL ANALYSIS**

1. Financial statements of simple and double-entry bookkeeping as an information source for financial analysis of the company. Characteristics and structure of individual components of the financial statements. Substantial formal and substantive differences of individual financial statements according to Slovak accounting regulations and IFRS. Their interpretation and impact on the financial analysis.
2. Characteristics of Financial analysis methods and procedures. Relative financial indicators. Vertical and horizontal analysis.
3. Characteristics of forecasting methods of the financial situation of the company. Financial analysis 'ex ante'. Methods of selecting 'well-distinguishing' indicators. Methods used in predicting the financial development of the company.
4. Analysis of the progress and results of the transformation process. Analysis of the adequacy of the volume and dynamics of quantitative results of the company. Analysis of the Economic value added (EVA) creation and Newly Created Value. Pyramid decomposition of value added. Company cost analysis.
5. Objectification procedure of the conclusions of the financial analysis of the company. Procedures characteristics for objectification the results of financial analysis of the company. Trends assessment, relations between indicators. The role of Du Pont's equations in the process of objectification. Methods of quantifying the influence of factors found in Du Pont's equations on ROA and ROE.
6. Analysis of the position of the company on the market. Sources of information of individual companies and sectors. Conditions of comparability of enterprises. Methods of analysis the position of companies on the market.

## **BUSINESS INFORMATION SYSTEM**

1. Enterprise information system based on information technology, aspects influencing the development and operation of IS, integrated enterprise IS, management levels and application architecture of IS, characteristics of individual subsystems.
2. Enterprise Resource Planning category information systems, differences between ERP and Extended ERP systems, classification of ERP systems by discipline and functional focus, criteria for selecting ERP systems.
3. IS/IT implementation process - characteristics of the different phases and steps at the level of strategic decisions and project management.
4. Customer Relationship Management (CRM) systems, CRM application architecture, classification of CRM systems by discipline and functional focus, current trends in CRM systems.
5. Supply chain management (SCM) systems, supply chain flows and processes, SCM concept, classification of SCM systems.
6. Business Intelligence (BI) systems, characteristics of BI, limitations of ERP systems, role and characteristics of BI systems, BI processes, characteristics of the different layers and components of the general BI architecture concept, BI ecosystem and business analytics.

## MANAGEMENT DECISION-MAKING

1. The essence of managerial decision making as a function of management.  
Define managerial decision making and state its place in the management of the company in terms of the basic functions of management. Using the elements of decision-making, describe the basic decision-making process in business management.
2. Decision-making theories, principles and rationality in managerial decision making.  
Describe the basic theories of decision making based on utility quantification and theories of descriptive decision making based on emotion. In relation to utility, define the four principles of decision making as optimization, satisfaction, maximization and dominance principles. Define rationality and the three categories of barriers that constrain it.
3. Phases of the decision-making process. Classification of decision-making processes. Decision tables.  
List the phases of the decision-making process and briefly characterise them. Define the decision-making process in terms of the number of decision criteria used, in terms of the level of management, in terms of the number of decision makers and in terms of the complexity and the possibility of algorithmisation of the decision-making problem. Indicate the possibilities of using decision tables in the decision-making process.
4. Methods of decision making under conditions of certainty.  
Define the basic decision matrix in terms of certainty. Characterize the methods of multi-criteria evaluation of variants. Explain the need for the use of weights of criteria in the process of partial evaluation of variants.
5. Methods of decision making under conditions of risk.  
Define the extended decision matrix under conditions of risk. Characterize the decision-making methods – decision tree, probability tree and Bayes rule. Justify the need for quantification of risk in decision analysis.
6. Methods of decision making under conditions of uncertainty. Expert systems in decision making.  
Using an extended decision matrix, define uncertainty and state the basic rules of decision making in the given information conditions. Characterize expert systems and their use in decision making.

## MANAGEMENT

1. Management and manager  
Define the term management. Describe the different functions of management and the levels of management. Explain the role of the manager in the company and explain the managerial roles (interpersonal roles, informational roles and decision-making roles). Describe and name the differences in management from the territorial perspective.
2. Business and managerial ethics  
Define morality and ethics. Explain the meaning of business ethics. Describe the tools of an ethics program in terms of institutionalizing business ethics – a code of conduct, corporate ethic departments and subjects, ethics education tools and control mechanisms. Describe the manifestations of discriminatory behaviour in the workplace – e.g. glass ceiling, racial discrimination, age discrimination. Explain what whistleblowing means and the difference between internal and external

whistleblowing. Explain the concept of “managerial ethics” and corporate social responsibility (CSR)

3. Organizing/controlling

Define organisations according to the range of facts/objects covered by the term organisation, list and describe the main activities of organisations. In the context of organising, describe formalisation, centralisation, specialisation and hierarchy of authority. Describe the main types of organisational structures. In the context of the control process, describe in more detail the steps of comparing standards and performance, as well as taking corrective action. Describe how the need for control can be reduced or eliminated.

4. Communication/motivation

Describe in more detail the communication process, its different components and the linear, interaction and transactional communication model. Within internal communication, specify the vertical, horizontal and diagonal direction of communication as well as formal and informal communication. Compare motivation, stimulation and engagement. Describe needs, habits, interests, values, ideals as basic sources of motivation. List and briefly describe the content theories of motivation.

5. Leadership

Explain the nature of leading and leadership. State the basic differences between leadership and management. Describe the approach to leadership based on the qualities and characteristics of the leader, the skills approach, the behavioural approach, the situational approach. Characterize the difference between the transactional and transformational leader. List and describe some new leadership concepts.

6. Management in the 21<sup>st</sup> century

Characterize management approaches responding to current societal trends – diversity management, green management, organization as a learning system, Management 4.0 and proven tools and methods in management – outsourcing, benchmarking, re-engineering, Just in Time, Kaizen.

## **PRODUCTION MANAGEMENT**

1. The main functions and content of production management. Other mutual relations (synergy) of production management and other components of business management. Prerequisites of business and improvement of production management.
2. Creation, procedure, phasing of the production program in the company. Diagnostic analysis (Business Diagnostics) of production possibilities and the possibilities of diversification of the production program. Evaluation and prerequisites for the implementation of the production program.
3. Component, functional, time analysis (structure) of the production cycle. Economic benefits (consequences) of shortening the production time from the point of view of the producer and the customer.
4. Regularities of organization (arrangement) of the production process in the company. Meaning and possibilities of their application in the company. Allocation in production management, basic factors and methods of allocation. Flow production (Continuous Flow Production).
5. The essence, content and functions of production preparation in the company. Creative possibilities (methods) of improving production preparation. Standardization

and automation in production preparation. Economic evaluation of production preparation.

6. The essence, types and peculiarities of production service in the company. Organizational systems (activities) of production service. Basic subjects of production service management, brief characteristics. Development tendencies of service processes.

## **MICROECONOMICS**

1. Supply and demand in the market of products and services - Definition of the demand and supply function, factors influencing supply and demand, market equilibrium, interpretation and meaning of prohibitive price of supply and demand and saturated demand, surplus/shortage of goods in the market, their impact on the creation of market equilibrium and the possibilities of producers, rent (surplus) of consumers and firms and net economic welfare.
2. Consumer's theory - Explanation of the concept of utility, marginal utility in the consumption of one and more goods, properties of the preference system, indifference curves and their properties, the marginal rate of substitution and its importance, the consumer's budget constraint in different markets, its formation, its changes and its importance in consumer decision-making.
3. Optimal consumption strategy - The formation and point of optimal consumption strategy, the formation of individual consumer demand, the definition of own price, cross price and income elasticities of demand, their importance for product identification and their impact on the company's decision making.
4. Production theory - Definition of total, marginal and average production of variable inputs, their course and properties for one variable input, elasticity of production and three stages of production, production function for several variable inputs, production isoquants, marginal rate of technical substitution, formation, meaning and properties of isocost lines, optimal production strategy of firms with 2 variable inputs.
5. Cost theory and the firm in a perfectly competitive market - The firm's costs depend on the volume of production and the so-called unit cost functions of the company, their course and their characteristics from short and long time periods. Derivation of the individual supply and thus the industry supply. Definition of perfect competition and its relevance for microeconomic modelling, profit maximisation in a perfectly competitive market, profit, acceptable loss and stop production, difference in firm's decision-making in the short and long term.
6. Market structures - Definition, existence and importance of monopolies in the market, monopoly profit maximisation, surplus (rent) of producers and consumers, net economic welfare, deadweight loss and its importance in a monopolistic market structure, monopoly taxation and its effects on monopoly profit maximisation, monopolistic price differentiation, its types and importance. Definition and basic idea of oligopolistic market equilibrium, Cournot and Bertrand equilibrium, quantity and price leadership in an oligopolistic market.

## **COST CONTROLLING**

1. Principles of cost controlling. Theoretical definition of cost controlling. Comparison of financial and managerial accounting. Cost controlling as a support for planning,

- controlling and decision making. Perspectives of cost controlling: Ethics perspective, strategic management perspective, risk management perspective, corporate social responsibility perspective, process management perspective, and leadership perspective. Definition, nature, and origin of costs from the controlling's perspective.
2. Cost controlling and cost concepts. Cost classifications for assigning costs to cost objects. Cost classifications for manufacturing companies. Cost classifications for preparing financial statements. Cost classifications for predicting cost behaviour. The analysis of mixed costs. Traditional and contribution format income statements. Cost classifications for decision making.
  3. Variable costing and segment reporting. Overview of variable and absorption Costing. Reconciliation of variable costing with absorption costing income. Advantages of variable costing and the contribution approach. Segmented income statements and the contribution approach. Use of segmented income statements for decision making and break-even analysis. Common mistakes related to segmented income statements. An external reporting perspective to income statements.
  4. Job-order costing and process costing. Factors affecting the choice of a costing method. Similarities and differences between job-order costing and process costing. Cost flows in job-order costing and process costing. Schedules of cost of goods manufactured and cost of goods sold in job-order costing. Underapplied and overapplied overhead in job-order costing. Job-order costing and service companies. Equivalent units of production in process costing. Operation costing.
  5. Master budgeting, flexible budgets, and performance analysis. Definition and the use of budgets. Advantages of budgeting. Responsibility accounting. Choosing a budget period. The self-imposed budget and human factors in budgeting. The definition of master budget and its interrelationships. The process of preparing the master budget. The variance analysis cycle and flexible budgets. Flexible budget variances and performance reports. Flexible budgets with multiple cost drivers. Common errors in flexible budgeting.
  6. Methods of cost-based management. Differential analysis as a key for managerial decision making. Cost concepts for decision making. Adding and dropping product lines and other segments. The make or buy decision. Acceptance of special orders. Utilization of a constrained resource. Joint product costs and the contribution approach. Activity-based costing and relevant costs. Principles of modern approaches: Target profit analysis and target costing, product life-cycle costing, and Kaizen approach.

## **ENTERPRISE AND ENTREPRENEURSHIP**

1. The subsistence of enterprise and entrepreneurship. Characteristics of an enterprise in a market economy and prerequisites of entrepreneurship. Horizontal and vertical relations of the enterprise with its environment, the world environment and its features. Business risk, nature, types and possibilities of risk prevention and elimination.
2. The enterprise as a goal-oriented system. Internal and external subjects of goal-based decision-making and their influence on the formation of enterprise goals. Classification of enterprise goals and the importance of classification criteria in enterprise decision-making.
3. Establishment and formation of the enterprise, formation of the enterprise's founding budget. Localization of the enterprise, the essence and characteristics of localization

factors, the possibilities of choosing the location of localization. Enterprise growth, forms of growth and growth crises, quantitative and qualitative aspects of enterprise growth. Stabilization of the enterprise.

4. Crisis of the enterprise, the subsistence, causes of the crisis. Identification and diagnosis of the crisis of the enterprise. Stages of crisis and types of crises. Crisis solutions, consolidation, rehabilitation. Dissolution of the enterprise with liquidation, without liquidation. Bankruptcy and restructuring proceedings.
5. Typology of enterprises and the use of individual typological criteria in the decision-making processes of the enterprise. Criteria for selecting the legal form of an enterprise, basic features of individual legal forms of enterprises.
6. Areas and criteria for the pooling of enterprises. Types of associations. Equity participation in the business of other persons. Unfair competition and its basic features. Protection of competition, substance and legislative regulation.

## **BUSINESS PLANNING**

1. Characterize the main elements and content of planning in businesses and the planning system  
What is planning? Using an example, prove that planning increases the efficiency of a business. What is the integration of plans and the planning system in a company? Give an example of how a planning system manifests itself. Classification of plans. The importance of goal setting. What characteristics should a well-defined goal have? Show an example of a well-defined goal. Advantages and meaning of planning. Disadvantages of planning. Information sources for planning.
2. Describe the fundamentals of strategic planning, resource-based theory, and competitive advantage  
What is the purpose of the vision and mission? Use an example to show their importance. What is a strategy, and what are its characteristics? Classification of strategies. Describe the process of creating a strategic plan. What strategic planning tools do you know? What is the resource-based theory? What is a competitive advantage? Which sources are more likely to be a source of competitive advantage? What is a business model, and what is its role in creating a business plan?
3. Characterize the business plan, the function of the business plan, its structure, and its meaning  
What is a business plan? Describe the internal and external functions of a business plan. Describe the structure of a business plan. What are the benefits of developing a business plan? Please explain how the business plan is affected by the purpose for which it is being developed and give an example. Who participates in the creation of a business plan? How to present a business plan. Summary of the business plan and its exceptional status.
4. Describe and classify the tools used in planning  
The basic classification of planning tools. Compare and explain the use of tools in a stable and unstable environment. What is benchmarking? Describe its process. What is a product attribute map, and when to use it in planning? What is a business model, and where is it used in planning? What is a strategic canvas, and where to use it in planning? The concept of a minimum viable product. When is it appropriate to use time series extrapolation, and how can you proceed when it is not appropriate to use?

5. Describe the main elements and content of the marketing plan, the production plan, and their interconnection  
 What is a marketing plan, and what is the subject of marketing? What are the advantages of marketing planning? Include a specific example. Types of marketing plans in the company. What is a marketing strategy? The process of creating a marketing plan. Explain what the market potential of the product is and what it means. Explain the link between marketing strategy and marketing measures. What is the role of the production plan? Explain the ABC method and interpret it with an example. Optimal order quantity. Speculative stocks. Just in Time. What is aggregated production planning, and what is its purpose? Describe the tools for matching demand and production capacities. What is operational production planning? Continuity of marketing plan and production plan.
6. Describe the use and content of a financial plan, how a financial plan is created, and what tools can be used?  
 Components of a financial plan. Long-term and short-term horizon of financial planning. Budgeting the working capital needs. Methods of creating a financial plan. Balance method. Percentage of sales method. Projecting the profit and loss statement. Projecting the balance sheet. Direct and indirect methods of cash flow projection. The plan for the distribution of the profit. Financial analysis and its role in creating a financial plan.

## **BUSINESS INFORMATICS**

1. Information and communication technologies in the knowledge society, digital agenda for Europe, system of indicators for measuring the information society, informatization in the Slovak Republic, main benefits of informatization of society, ICT development index. E-Government. Digital literacy and the digital divide.
2. Computer system and its components, general parameters characterising computer performance. Smart devices with connectivity, supercomputers.
3. Software resources and their use. Requirements for software. Classification of software and their characteristics.
4. Database processing, database system and database concept, database models. Data base design procedure, data model creation. Data warehouses, OLAP and OLTP technology.
5. Communication, process and forms of communication. Computer network, basic types and topology of computer networks, OSI (Open Systems Interconnect) reference model. Communication services. Virtualization and cloud computing, forms and distribution models of cloud computing.
6. Enterprise information security, cybercrime, categories and typology of malicious programs (malware), phases of the malware life cycle, protection against cybercrime and enterprise security policy.

## **CORPORATE FINANCE**

1. Basic characteristics of corporate finance - forms of monetary relations (budgetary, credit, insurance, realisation, securitisation). Financial policy of the enterprise and its determinants - basic financial objective of business activity, sub-financial objectives of the enterprise. Financial management of the enterprise - the essence and basic

- categories used in financial management. Financial and capital structure of the enterprise - static and dynamic view.
2. Acquisition of corporate capital - equity capital from external and internal sources - the basic capital in the establishment and development of a business, depending on the legal form of the business. Economic result of the enterprise - quantification and factors influencing its amount, mechanism of its taxation. Depreciation policy of the enterprise - accounting and tax depreciation, the effect of the use of the released capital.
  3. Acquisition of foreign resources. Long-term and medium-term foreign resources of the enterprise - bonds, financial loans, supplier credit. Short-term foreign resources - trade credit, short-term bank loans, fixed and non-fixed liabilities, factoring. Special forms of credit - forfaiting, franchising, leasing.
  4. Allocation of corporate capital - financial decision making for the acquisition of intangible, tangible and financial fixed assets. Investment project - its basic parameters (capital expenditure, expected cash flow, lifetime). Methods of assessing the economic efficiency of an investment project - cost and income methods. Financial market instruments and institutions, financial decision-making criteria for financial investments (price and yield, risk, liquidity).
  5. Working capital of the enterprise - current assets and current liabilities. Inventories - determination of need and their optimisation. Short-term receivables - decision-making on granting trade credit. Optimisation of prompt cash. Supplier relationship management. The cash operating cycle of the business. Gross and net working capital of an enterprise - liquidity ratios and differences.
  6. Financial analysis and financial planning of the enterprise. Retrospective and prospective financial analysis. Basic procedure of financial analysis "ex post". Financial plan - structure and main outputs of long- and short- term plan. The main methods of creating a financial plan of an enterprise.

## **BUSINESS ECONOMICS**

1. A transformation process and production factors of the enterprise. Enterprise assets, their classification and valuation of individual assets items. Property wear, amortisation and depreciation of fixed assets (non current assets). Current assets: essence, structure, operating cycle and turnover. Standardization of current assets. Indicators of the use of current assets.
2. Human resources of the enterprise and their importance. Determining the need for human resources and creating working conditions, remuneration principles, forms of wages. Labour productivity, nature and indicators of labour efficiency, factors of growth of labour productivity.
3. Purchase of material inputs. Organization, marketing and planning of the purchase of material inputs. Management of stock of material inputs. Evaluation of the level of inventory management.
4. The production activity of the enterprise, the production process and its splitting, planning of production and production capacities. Utilization of the enterprise's production capacity and its impact on the enterprise's economic results. Relation of the production plan to the production programme of the enterprise.
5. The essence, theories and issues (functions) of product sales. Market research as an initial point for product sales. Product and contracting policy, communication and distribution policy as tools for products selling.



6. Enterprise costs, their essence. Costs at the input, output and during the transformation process and their importance for managerial decision-making. Analysis of the zero (critical) point and the possibility of its applying for economic decision-making. Meaning, possibilities and instruments for reducing enterprise costs.

## **HUMAN RESOURCES MANAGEMENT**

1. The role of human resource management in business management  
Objectives and tasks of human resource management. Factors influencing human resource management, labour market. Subjects of human resources management. Life cycle of an employee in an enterprise. The human resources management unit and its organisational integration. Roles of HR managers. Trends in human resource management.
  2. Job creation  
Job analysis, sources of information, methods of job analysis and its methodological procedure. Job analysis outputs, job description and specification of employee requirements, their role and content. Approaches to job design, design methods.
  3. Recruitment and selection of employees  
The essence of staff recruitment, internal and external staff resources. Methods of recruitment, avoiding discrimination in recruitment. Evaluation of the recruitment process. Selection methods, working with documentation, verification of job competences, selection interview. Diversity management.
  4. Staff training and development  
Areas of corporate training, lifelong learning. The learning cycle and corporate approaches to employee learning and development. Choice of training methods. Evaluation of the effectiveness of training. Talent management, defining the concept of talent, creating a talent pool. Acquiring, developing and retaining talented employees.
  5. Appraisals and performance management  
Performance and its components. Criteria and methods of performance appraisal, role and involvement of appraisers. Appraisal interview. Errors in performance appraisal. Performance management and its components, performance agreement. Linking performance appraisal to staff development and reward.
  6. Rewarding employees  
Remuneration system and its components, monetary and non-monetary remuneration. Total remuneration and its benefits. Pay in the remuneration system, fixed and variable components of pay, pay forms. Benefits and methods of their financing, social fund. Legislative regulation of remuneration.
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