

MP505 – Cost-Benefit Analysis



THE CYPRUS INTERNATIONAL INSTITUTE OF MANAGEMENT COURSE UNIT DESCRIPTION

Course Unit Title	Cost-Benefit Analysis	
Course Unit Code	MP505	
Type of Unit	Core	
Level of Course Unit	First cycle	
Year of Study	First / second year	
Semester	On demand	
Number of ECTS Credits	9.0 ECTS	
Class Contact Hours	35	
Course Unit Objectives	The objective of this course is to help students perform financial and economic analysis of policies, programmes, and projects and rank them in terms of efficiency and cost effectiveness.	
Learning Outcomes	The students completing the course should be able to	
	CILO 1	Estimate and compare the benefits and costs of policies, programmes and projects
	CILO 2	The time value of money and investment selection/project appraisal criteria
	CILO 3	Choosing appropriate discount rates and calculating present and future values
	CILO 4	Use shadow pricing to convert financial prices to economic prices
	CILO 5	Handle inflation, risk and uncertainty in project appraisal
	CILO 6	Use simple methods of valuing non-market impacts of projects (environmental, social, cultural etc.)
	CILO 7	Use cost-effectiveness and multi-objective methods of project appraisal
Name of Lecturer(s)		
Mode of delivery	Face to Face	
Prerequisites or co-requisites	None	
Course Content	<ol style="list-style-type: none">1. Introduction to cost-benefit analysis2. Theoretical foundations of cost-benefit analysis3. Net present value and other decision criteria4. Estimating costs and benefits when markets exist5. The social rate of discount6. Dealing with inflation, risk and uncertainty	

	<p>7. Valuing non-market benefits and impacts</p> <p>8. Cost-effectiveness and multi-objective criteria</p>
Recommended or required reading	<p>Lecture notes will be posted on Moodle.</p> <p>Recommended (optional) textbooks for the course are:</p> <p>Boardman, A. E. et al. (2005), 3th edition, <i>Cost-Benefit Analysis: Concepts and Practice</i>, Upper Saddle River, NJ: Prentice Hall</p> <p>Tevfik, N.F. (1996), <i>Cost Benefit Analysis: Theory and Application</i>, Thousand Oaks, CA: Sage</p> <p>Harvey, R. S., and Gayer, T. (2009), 9th edition, <i>Public Finance</i>, New York: McGraw-Hill</p> <p>You will also receive a course package at the beginning of the course that will include the suggested readings which I encourage you to read for a better understanding of the relevant topics.</p>
Planned learning activities and teaching methods	Lectures, in-class assignments, in-class debates and discussion, video case studies, guest speakers
Assessment methods and criteria	<p>20% Participation</p> <p>80% Final exam</p>
Language of Instruction	English
Work Placement(s)	Not applicable