

NATIONAL UNIVERSITY OF SINGAPORE
NUS Business School
Department of Strategy & Policy

BSP1702X -Legal Environment of Business

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Session : Semester I, 2021/2022

Course Objectives

This module is intended to equip students who will be future business managers with legal knowledge that is relevant to commercial transactions so that they can, not only understand the rights and obligations of a business, but also take appropriate actions, both before and after the problem arises – so as to reduce possible negative impact on the business or to advance the interests of the business. The module will also discuss the interaction between law and ethics and further some international (particularly Asian) comparisons and e-commerce issues will be addressed in order to prepare students for a world which is highly globalised and digitalised.

Course Outcomes

Being able to:

- (1) predict the legal outcomes for common problems that may arise in a typical business setting,
- (2) take appropriate measures (both law and non-law related) to deal with such problems before/after they arise and
- (3) articulate views relating to the subject at least in a class setting.

Course Overview

Part 1

The course starts off introducing the legal environment in which a business operates and topics covered include the relationship between business and law on one hand and ethics and law on the other.

In addition, the different commercial dispute resolution methods, including mediation and arbitration, will be highlighted, the latter being particularly significant in the international business context.

Further, issues pertaining to legal advice, in particular, the importance of giving

proper instructions and how otherwise, the interests of a business may be adversely affected, will also be addressed.

One of the first questions that an entrepreneur would face, namely, what sort of vehicle should he choose to run his business. The business structures covered are sole-proprietorships, partnerships, companies, limited liability partnerships, limited partnerships and joint ventures. A cost-benefit approach will be used to highlight the differences between these various structures.

Part III

A business would deal with a whole range of persons, including suppliers, bankers, financiers, distributors, marketers, insurers, transporters, warehousemen, landlords, contractors, franchisees, agents, employees and consumers. A business's relationship with all these parties is primarily governed by contract and it is estimated that nearly 85% of business disputes are contractual in nature. Thus it is crucial that a business has good understanding of how contracts work.

Topics covered include general contractual principles as well as contractual principles relating to specific situations such as those relating to the sale of products and services.

Part IV

Besides incurring liabilities or acquiring rights under a contract, a business may also incur liabilities or acquire rights on other grounds.

Topics covered encompass, negligence liability of a business, including that of manufacturers, distributors, importers, developers, contractors, employers, accountants, stockbrokers and bankers.

Course Schedule

Week	Lecture Topic
1	Introduction to Law, Ethics and Dispute Resolution
2	Setting up a Business I
3	Setting up a Business II + Tutorial 1

4	Entering into a Contract + Tutorial 2
5	Understanding Terms of Contract + Tutorial 3
6	Avoiding Factors Affecting Contracts + Tutorial 4
Recess Week	
7	Terminating the Contract + Tutorial 5
8	Suing for Breach of Contract + Tutorial 6
9	Contract Drafting + Tutorial 7
10	Dealing with Product Liability
11	Preventing other Liabilities (Negligence, Vicarious Liability) + Tutorial 8
12	Tutorial 9 + Wrap Up
13	Assessment

Reading List

A. Textbooks

Recommended Textbook:

Ravi Chandran: Introduction to Business Law in Singapore – 6th Edition

Methods of Assessment

Take-home Group Assignment: 20%

MCQ: 20%

Individual Class Participation: 20%

Contract Drafting: 20%

Final Test: 20%

Further Details about Assessment will be shared in Seminar 1.

As for take-home group assignment, each group would usually consist of 5 students.

Contacting the Facilitator:

If you have any queries regarding the course, *do not hesitate* to contact your facilitator or use the discussion forum/e-mail.