

Course	BUSN 6120 - Managerial Economics Fall 1, 2009
Instructor	Name: Dr. Alex Mukathe, DBA, MBA, MPA. Phone: (562) 367-4770 Email: alex@bsc5.com
Catalog Description	The student examines the application of microeconomics theory as applied to the manager’s responsibilities within the organization. This course should emphasize the quantitative and qualitative applications of economic principle to business analysis.
Prerequisites	The student has successfully completed BUSN 5620 and BUSN 5760
Course Level Learning Outcomes	<p>Outcome Expectation</p> <ol style="list-style-type: none"> 1. Students understand how market forces affect price and quantity. Students can utilize basic supply and demand analysis (graphical and quantitative) to predict the likely impact of events on the price and quantity sold of any product. 2. Students understand elasticity and its relationship to pricing and revenue. Students can both calculate elasticity and estimate elasticity empirically. Given the result the student can correct predict the effect of a given change in price on revenue. 3. Students can utilize statistical analysis to assess product demand conditions Students can take provided data and correctly estimate a demand function, determine the statistical significance, calculate the product elasticities (price, cross, and income) and infer the implications of that information to market demand conditions. 4. Students can utilize industry analysis to assess market position Students can also learn how to measure risk and uncertainty, and then incorporate these measures into their business decision making. <p>Students can identify which of the four primary market structures most</p>

	<p>appropriately correlates to an industry. The student can draw inferences regarding firm behavior and performance.</p> <p>Students can identify the Oligopolistic model that best describes the behavior of an Oligopolistic industry.</p> <p>Students can use basic game theoretic analysis to describe the behavior of firms in an Oligopolistic industry.</p> <p>Students can also utilize Michael Porter’s Five-forces model to assess market potential and gain draw inference regarding firm behavior and potential performance.</p>										
Materials	<p>Text: Managerial Economics and Business Strategy (6th Ed) Authors: Michael R. Baye Publisher: McGraw Hill ISBN: 978-0-07-337568-7</p> <p>Supplemental Readings: The Economist Wall Street Journal “Economic Indicators” APA format text- in lieu of purchasing the text students may consult www.apa.org</p>										
Grading	<p>Course Evaluations:</p> <table border="0" style="width: 100%;"> <tr> <td>Mid-term Exam</td> <td style="text-align: right;">30%</td> </tr> <tr> <td>Final Exam</td> <td style="text-align: right;">35%</td> </tr> <tr> <td>Group Term Project</td> <td style="text-align: right;">20%</td> </tr> <tr> <td>Discussion Topics & Research Paper</td> <td style="text-align: right;">15%</td> </tr> <tr> <td style="text-align: center;">Total percentage</td> <td style="text-align: right; border-top: 1px solid black;">100%</td> </tr> </table> <p>Grading Scale:</p> <p>A = 93-100</p> <p>A- = 90-92</p> <p>B+ = 87-89</p> <p>B = 84-86</p> <p>B- = 80-83</p> <p>C = 70-79</p> <p>F = 69 and below</p>	Mid-term Exam	30%	Final Exam	35%	Group Term Project	20%	Discussion Topics & Research Paper	15%	Total percentage	100%
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Activities	<p><u>Week 1</u></p> <ul style="list-style-type: none"> ■ Course Overview and Objectives <p style="text-align: center;"><i>Note: Weekly Discussion topics will be submitted in writing (typed) and discussed in class.</i></p> <ul style="list-style-type: none"> ■ Assign and Explain Term Project and Discussion Topics ■ Chapter 1: Fundamentals of Managerial Economics (pg. 1) <i>Problems and Applications: Do # 11 page 29.</i> ■ Chapter 2: Market Forces of Demand and Supply (pg. 35) <i>Problems and Applications: Do # 17 page 70.</i> <hr style="border-top: 1px dashed black;"/>
	<p><u>Week 2</u></p> <ul style="list-style-type: none"> ■ Chapter 3: Quantitative Demand Analysis (pg. 73) <i>Problems and Applications: Do # 11 page 112.</i> ■ Chapter 4: The Theory of Individual Behavior (pg. 117) <i>Problems and Applications: Do # 14 page 151.</i> <hr style="border-top: 1px dashed black;"/>
	<p><u>Week 3</u></p> <ul style="list-style-type: none"> ■ Chapter 5: The Production Process and Costs (pg. 156) <i>Problems and Applications: Do # 9 page 196.</i> ■ Chapter 6: The Organization of the Firm (pg. 204) <i>Problems and Applications: Do # 16 page 231.</i> <hr style="border-top: 1px dashed black;"/>
	<p><u>Week 4</u></p> <ul style="list-style-type: none"> ■ Chapter 7: The Nature of Industry (pg. 236) <i>Problems and Applications: Do # 18 page 263.</i> ■ Chapter 8: Managing in Competitive, Monopolistic, and Monopolistically Competitive Markets (pg. 266) <i>Problems and Applications: Do # 9 page 308.</i> ■ Chapter 9: Basic Oligopoly Models (pg. 315) <i>Problems and Applications: Do # 13 page 347.</i> <hr style="border-top: 1px dashed black;"/>
	<p><u>Week 5</u></p> <p>Midterm Examination</p> <hr style="border-top: 1px dashed black;"/>
	<p><u>Week 6</u></p>

	<ul style="list-style-type: none"> ■ Chapter 10: Game Theory: Inside Oligopoly (pg 352) <i>Problems and Applications: Do # 12 page 392.</i> ■ Chapter 11: Pricing Strategies for Firms with Market Power (pg. 397) <i>Problems and Applications: Do # 12 page 430.</i> ■ Chapter 12: The Economics of Information (pg. 434) <i>Problems and Applications: Do # 15 page 471.</i> <p>-----</p> <p><u>Week 7</u></p> <ul style="list-style-type: none"> ■ Chapter 13: Advanced Topics in Business Strategy (474) <i>Problems and Applications: Do # 10 page 504.</i> ■ Chapter 14: A Manager’s Guide to Government in the Marketplace (pg. 508) <i>Problems and Applications: Do # 16 page 542.</i> <p>-----</p> <p><u>Week 8</u></p> <ul style="list-style-type: none"> ■ <i>Presentations & Turning-in Group Term Project</i> <p>-----</p> <p><u>Week 9</u> Final Examination</p> <p>-----</p>
<p>Policy Statements: University Policies</p>	<p>University policies are provided in the current course catalog and course schedules. They are also available on the university website. This class is governed by the university’s published policies. The following policies are of particular interest:</p> <p><u>Academic Honesty:</u></p> <p>The university is committed to high standards of academic honesty. Students will be held responsible for violations of these standards. Please refer to the university’s academic honesty policies for a definition of academic dishonesty and potential disciplinary actions associated with it.</p> <p><u>Attendance Policy:</u></p> <p>The University reserves the right to drop students who do not attend class the first week of the term/semester. Students are expected to attend all class sessions of every course. In the case of unavoidable absence, the student must contact the instructor directly. The instructor may give ample warning to the student and then recommend that the student withdraw from the course. The student is subject to appropriate academic penalty for incomplete or unacceptable makeup work, or for excessive or unexcused absences. Generally, a student who misses more than one four-hour course period (per course) without a documented military or medical excuse and</p>

	<p>advanced permission from the instructor should withdraw from the class.</p> <p><u>Drops and Withdrawals:</u> Please be aware that, should you choose to drop or withdraw from this course, the date on which you notify the university of your decision will determine the amount of tuition refund you receive. Please refer to the university policies on drops and withdrawals (published elsewhere) to find out what the deadlines are for dropping a course with a full refund and for withdrawing from a course with a partial refund.</p> <p><u>Special Services:</u> If you need accommodations for a disability, please let the instructor know at the beginning of the course so that they can be provided.</p> <p><u>Disturbances:</u> Since every student is entitled to full participation in class without interruption, disruption of class by inconsiderate behavior is not acceptable. Students are expected to treat the instructor and other students with dignity and respect, especially in cases where a diversity of opinion arises. Students who engage in disruptive behavior are subject to disciplinary action, including removal from the course</p>
Course Policies	<p><u>Attendance Policy:</u> Because of the extent of material to be covered in this nine-week class, it is important that you come well prepared. Students are responsible for all information given during the class instruction. <i>Absences will adversely affect your grade. Students absent for two or more classes will not receive a passing grade nor receive credit for the course.</i></p>
Group Term Project	<p><u>TERM PROJECT INSTRUCTIONS:</u> You are required to write a five to ten pages Term Project. You can write on any thing Managerial economics provided that your topic is related to any of the assigned chapters (see your Syllabus). Your Term Project must show sources cited or interviews conducted. <i>Your Term Project will be graded based on the following:</i></p> <ol style="list-style-type: none"> 1. Facts/Content (20%). 2. Contribution to Managerial economics and to the Society as a whole (20%). 3. Persuasion/Audience appeal (20%). 4. Adherence to instructions (20%). 5. Delivery and appreciation from listeners (20%).

	<p><i>Your Term Project must include the following headings:</i></p> <ul style="list-style-type: none"> ■ Executive Summary ■ Identification of the problem/s. ■ Analysis of the Problem/s. ■ Solutions to identified problem/s (personal solutions) ■ Recommendations
<p>Group Term Project</p>	<p><u>Note:</u></p> <p>The written assignment should be in APA style, include references (a minimum 5 non-internet references (e.g. academic journals, book, professional publications) in addition to any internet resources they may use), and a bibliography. The assignment should show that the you clearly have the ability to conduct research, cite sources to support arguments and write in a coherent, organized fashion expected at the graduate level.</p> <p>Student may submit their term paper to the On-Line Writing Center in St. Louis by email and have a coach make suggestions/corrections. It is up to the student to allow sufficient time (generally 7-10 days) for this process to be utilized and still turn in the term paper on the assigned date.</p> <p>Each student must submit their term paper electronically to the Turn-It-In process, which requires a class ID, password and course description). This program is a learning tool for the student and will protect YOUR original work. The term paper will be checked for originality against 1.5 billion Internet pages in addition to a database of previously submitted student work. It is up to the student to allow sufficient time for this process to be utilized, making revisions if necessary/repeat submission and still turn in the term paper on the assigned date. Paper submissions are generally returned within 24 hours.</p>