Managerial Economics
BUSN-6120
S2 2020  Section MB  3 Credits  03/21/2020 to 05/09/2020  Modified 02/11/2020

Meeting Times

8:30 - 4:30, Saturdays

Contact Information

Instructor: Dr. Jen-Hsiang Lin
Email: lindr@webster.edu, drjhlin@gmail.com
Phone: 910-630-7080 (W); 910-488-9225 (H)

Description

The student examines the application of microeconomic theory as applied to the managers’ responsibilities within the organization. This course should emphasize the quantitative and qualitative application of economic principles to business analysis.

Requisites

BUSN 5620 and BUSN 5760

Objectives

Outcomes

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Expectation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Students understand how market forces affect price and quantity</td>
<td>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.</td>
</tr>
<tr>
<td>2. Students understand elasticity and its relationship to pricing and revenue</td>
<td>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.</td>
</tr>
<tr>
<td>3. Students can utilize statistical analysis to assess product demand conditions</td>
<td>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. Students can also learn how to measure risk and uncertainty, and then incorporate these measures into their business decision making.</td>
</tr>
</tbody>
</table>
4. Students can utilize industry analysis to assess market position. Students can identify which of the four primary market structures most appropriately correlates to an industry. The student can draw inferences regarding firm behavior and performance.

   Students can identify the Oligopolistic model that best describes the behavior of an Oligopolistic industry.

   Students can use basic game theoretic analysis to describe the behavior of firms in an Oligopolistic industry.

   Students can also utilize Michael Porter’s Five-forces model to assess market potential and gain draw inference regarding firm behavior and potential performance.

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**Required Textbook**

**Managerial Economics & Business Strategy**

- Author: Baye
- Publisher: MCG
- Edition: 9th
- ISBN: 978-1259290619

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**Materials**

To order text: Call MBS Direct at 1-800-325-3252 or by Internet at http://www.mbsdirect.net

SUPPLEMENTAL MATERIALS:

ADDITIONAL READINGS: MS Excel with Data Analysis Tool Pak. The Tool Pak is contained on the Excel disc and does not automatically load with Excel. The text comes with a CD containing data sets and other information that will be discussed in the text. The CD also contains an Excel Add-In (MegaStat) that is essential for completing assignments. Note: MegaStat cannot be used without Excel and the Data Analysis Tool Pak.

USE OF THE WEBSTER LIBRARY IS ENCOURAGED.

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**Deliverables**

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**Evaluation**

**Criteria**

<table>
<thead>
<tr>
<th>Type</th>
<th>Weight</th>
<th>Topic</th>
<th>Notes</th>
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</thead>
<tbody>
<tr>
<td>Mid-term Exam</td>
<td>30%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Final Exam</td>
<td>30%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>On-line Quizzes</td>
<td>40%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Breakdown
### Grade Range Notes

<table>
<thead>
<tr>
<th>Grade</th>
<th>Range</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>100 to 95</td>
<td></td>
</tr>
<tr>
<td>A-</td>
<td>94 to 90</td>
<td></td>
</tr>
<tr>
<td>B+</td>
<td>89 to 87</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>86 to 84</td>
<td></td>
</tr>
<tr>
<td>B-</td>
<td>83 to 80</td>
<td></td>
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<tr>
<td>C</td>
<td>79 to 75</td>
<td></td>
</tr>
<tr>
<td>F</td>
<td>Below 75</td>
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</tbody>
</table>

**NOTE:** Students using Tuition Assistance (TA) are responsible for ensuring that all Incomplete (I) work is completed within 120 days from the end of the course. IF the work is not completed and a grade awarded, the military will take action to recover their TA payment from your pay.

Students are responsible for ensuring that all grades of Incomplete (I) have been changed prior to petitioning to graduate.

### Schedule

<table>
<thead>
<tr>
<th>When</th>
<th>Topic</th>
<th>Notes</th>
</tr>
</thead>
</table>
| Class #1 10/27/2019 8:30 AM - 4:30 PM | Review Syllabus  
Chapter 1: The Fundamental Managerial Economics  
Chapter 2: Supply and Demand  
Chapter 3: Quantitative Demand Analysis |                                                                |
| Class #2 11/10/2019 8:30 AM - 4:30 PM | Chapter 5: The Production Process and Costs  
Chapter 7: The Nature of Industry  
Review for the Midterm Exam |                                                                |
| Class #3 11/24/2019 8:30 AM - 4:30 PM | Midterm Exam (In-Class Exam)  
Chapter 8: Competitive and Monopolistic Markets |                                                                |
| Class #4 12/08/2019 8:30 AM - 4:30 PM | Chapter 8: Managing in Competitive, Monopolistic, and Monopolistically Competitive Markets (Part 1).  
Chapter 8: Managing in Competitive, Monopolistic, and Monopolistically Competitive Markets (Part 2). |                                                                |
| Class #5 12/15/2019 8:30 AM - 4:30 PM | Chapter 9: Basic Oligopoly Models  
Chapter 10: Game Theory: Inside Oligopoly  
Chapter 11: Pricing Strategies for Firms with Market Power  
Review for Final Exam  
Final Exam (Take-Home Exam) |                                                                |
DISCLAIMER: This syllabus is intended to provide a basic structure to this course. Adherence to this syllabus is subject to change at the discretion of the instructor.

Additional Information
Since exams will test your knowledge of material covered in class, you are expected to attend all class sessions. In case of unavoidable absence, the student must contact the instructor to arrange makeup work. If acceptable makeup work is not completed, or if unexcused absences occur, the student is subject to appropriate academic penalty.

Course Policies

CLASS ATTENDANCE
A. The University reserves the right to drop students who do not attend the first week of the term/semester.
B. The student should notify the instructor prior to class if an absence is anticipated and he or she should not miss more than four contact hours. Makeup work will be assigned and if the absence is unexcused, it may exceed the material presented.
C. For absences of eight hours, the instructor has the option to lower the student's grade one letter grade and to inform the student of the action.
D. If a student is absent twelve hours or more, the instructor has the option to assign a grade of "F" (work that is unsatisfactory) and to inform the student of the action. It is the student's responsibility to withdraw from the course.

ETHICS
Webster University strives to be a center of academic excellence. As part of our Statement of Ethics, the University strives to preserve academic honor and integrity by repudiating all forms of academic and intellectual dishonesty, including cheating, plagiarism, and all other forms of academic dishonesty. Academic dishonesty is unacceptable and is subject to disciplinary action. The University reserves the right to utilize electronic databases, such as Turnitin.com, to assist faculty and students with their academic work.

Institutional Policies

Academic Policies
Academic policies provide students with important rights and responsibilities. Students are expected to familiarize themselves with all academic policies that apply to them. Academic policies for undergraduate students can be found in the Undergraduate Studies Catalog; graduate students should review the Graduate Studies Catalog.

Undergraduate Studies Catalog
The Undergraduate Studies Catalog contains academic policies that apply to all undergraduate students. The academic policies and information section of the catalog contains important information related to attendance, conduct, academic honesty, grades, and more. If you are an undergraduate student, please review the catalog each academic year. The current Undergraduate Studies Catalog is at:

http://www.webster.edu/catalog/current/undergraduate-catalog/ (http://www.webster.edu/catalog/current/undergraduate-catalog/)

Graduate Studies Catalog
The Graduate Studies Catalog contains academic policies that apply to all graduate students. The academic policies section of the catalog contains important information related to conduct, academic honesty, grades, and more. If you are a graduate student, please review the catalog each academic year. The current Graduate Studies Catalog is at:
Grading

The Grades section of the academic catalog outlines the various grading systems courses may use, including the information about the final grade reported for this class.

Undergraduate
http://www.webster.edu/catalog/current/undergraduate-catalog/academic-policies.html#grading

Graduate
http://www.webster.edu/catalog/current/graduate-catalog/academic-policies.html#grades

Incomplete

There are important policies that govern grades of Incomplete (I), including the circumstances under which Incomplete grades are granted, deadlines for completion, and consequences should the remaining course work not be completed. It is the responsibility of a student who requests an Incomplete to ensure that he/she understands and follows the policies.

Grade Appeals

Instructors are responsible for assigning grades, and student should discuss grade issues with the instructor. Policies and procedures for appealing grades are available in the appropriate catalog.

Academic Honesty Policy

Webster University is committed to academic excellence. As part of our Statement of Ethics, we strive to preserve academic honor and integrity by repudiating all forms of academic and intellectual dishonesty, including cheating, plagiarism and all other forms of academic dishonesty. Academic dishonesty is unacceptable and is subject to a disciplinary response. Students are encouraged to talk to instructors about any questions they may have regarding how to properly credit others' work, including paraphrasing, quoting, and citation formatting. The university reserves the right to utilize electronic databases, such as Turnitin.com, to assist faculty and students with their academic work.

The University’s Academic Honesty Policy is published in academic catalogs:

Undergraduate
http://www.webster.edu/catalog/current/undergraduate-catalog/academic-policies.html

Graduate
http://www.webster.edu/catalog/current/graduate-catalog/academic-policies.html

As a part of the University commitment to academic excellence, the Academic Resource Center provides student resources to become better acquainted with academic honesty and the tools to prevent plagiarism in its many forms:

http://www.webster.edu/arc/plagiarism_prevention/

Statement of Ethics

Webster University strives to be a center of academic excellence. The University makes every effort to ensure the following:

- The opportunity for students to learn and inquire freely
- The protection of intellectual freedom and the rights of professors to teach
- The advancement of knowledge through scholarly pursuits and relevant dialogue

To review Webster University's statement of ethics, see the Undergraduate Studies Catalog and the Graduate and Studies Catalog:
Contact Hours for this Course

It is essential that all classes meet for the full instructional time as scheduled. A class cannot be shortened in length. If a class session is cancelled for any reason, the content must be covered at another time.

Important Academic Resources

Academic Accommodations

Webster University makes every effort to accommodate individuals with academic/learning, health, physical and psychological disabilities. To obtain accommodations, students must identify themselves and provide documentation from a qualified professional or agency to the appropriate campus designee or the Academic ADA Coordinator at the main campus. The Academic ADA Coordinator may be reached at 314-246-7700 or disability@webster.edu.

If you have already identified as a student with a documented disability and are entitled to classroom or testing accommodations, please inform the instructor of the accommodations you will require for this class at the beginning of the course.

Academic Resource Center

Additional support and resources may be accessed through the Academic Resource Center (ARC). Support and resources include academic counseling, accommodations, assistive technology, peer tutoring, plagiarism prevention, testing center services, and writing coaching. Visit www.webster.edu/arc or Loretto Hall 40 on the main campus for more information.

Student Success Portal

Webster University’s Student Success Portal, powered by Starfish, is a communications tool to connect students with faculty members and campus support services. It allows faculty and staff members to communicate with you regarding academic achievements as well as areas where support may be helpful. You may use the portal to contact faculty and staff members for assistance and to arrange meetings. Activity in the portal will be communicated to your Webster University email account. The Student Success Portal is available via your course home page in WorldClassRoom or via Connections. Learn more about the Student Success Portal at http://www.webster.edu/success/students.html.

University Library

Webster University Library is dedicated to supporting the research needs and intellectual pursuits of students throughout the University’s worldwide network. Resources include print and electronic books, journal articles, online databases, DVDs and streaming video, CDs and streaming music, datasets, and other specialized information. Services include providing materials at no cost and research help for basic questions to in-depth exploration of resources. The gateway to all of these resources and services is http://library.webster.edu. For support navigating the library’s resources, see http://libanswers.webster.edu/ for the many ways to contact library staff.

Drops and Withdrawals

Drop and withdrawal policies dictate processes for students who wish to unenroll from a course. Students must take proactive steps to unenroll; informing the instructor is not sufficient, nor is failing to attend. In the early days of the term or semester, students may DROP a course with no notation on their student record. After the DROP deadline, students may WITHDRAW from a course; in the case of a WITHDRAW, a grade of W appears on the student record. After the WITHDRAW deadline, students may not unenroll from a course. Policies and a calendar of deadlines for DROP and WITHDRAW are at:
Current tuition rates, policies, and procedures, including details of pro-rated tuition refunds, are available in the “Tuition, Fees, and Refunds” section of Webster’s Academic Catalogs:

**Undergraduate**

**Graduate**
[http://www.webster.edu/catalog/current/graduate-catalog/tuition.html](http://www.webster.edu/catalog/current/graduate-catalog/tuition.html)

### Student Handbook and Other Important Policies

Student handbook and other non-academic policies may apply to you and may impact your experience in this class. Such policies include the student code of conduct, privacy, technology and communications, and more. Please review the handbook each year and be aware of policies that apply to you. The handbook is available at:


### Sexual Assault, Harassment, and Other Sexual Offenses

Webster University makes every effort to educate the community to prevent sexual assault, harassment, and other sexual offenses from occurring, and is committed to providing support to those affected when this behavior does occur. To access information and resources or to review the Policy on Sexual Assault, Harassment, and Other Sexual Offenses, visit:

[http://www.webster.edu/sexual-misconduct/](http://www.webster.edu/sexual-misconduct/)

### Research on Human Subjects

The Webster University Institutional Review Committee (IRB) is responsible for the review of all research on human subjects. The IRB process applies to all Webster University faculty, staff, and students and must be completed prior to any contact with human subjects. For more information on the IRB, visit:

[http://www.webster.edu/irb/index.html](http://www.webster.edu/irb/index.html)

### Course Evaluations

At the end of this course, you will have the opportunity to provide feedback about your experience. Your input is extremely valuable to the university, your instructor, and the department that offers this course. Please provide your honest and thoughtful evaluation, as it helps the university to provide the best experience possible for all of its students.

### Important Technology Information

**Connections Accounts**

Webster University provides all students, faculty, and staff with a University email account through Connections. Students are expected to activate their Connections account and regularly check incoming University email. Students may choose to have their University email forwarded to an alternate email address. Connections account holders can call the Help Desk (314-246-5995 or toll free at 1-866-435-7270) for assistance with this setup. Instructions are also provided on the Information Technology website at:
WorldClassRoom

WorldClassRoom is Webster's Learning Content Management System (LMS). Your instructor may use WorldClassRoom to deliver important information, to hold class activities, to communicate grades and feedback, and more. WorldClassRoom is available using your Connections ID at:

https://worldclassroom.webster.edu/

Webster Alerts

Webster Alerts is the University's preferred emergency mass notification service, available free to current students, faculty and staff at all US campuses. By registering a valid cell phone number and email address, you will receive urgent campus text, voice mail and email communications. Valuable information concerning a range of incidents affecting you - from weather-related campus closures, class delays and cancellations, to more serious or life-threatening events - are immediately and simultaneously delivered through multiple communication channels. To register for Webster Alerts, visit:

http://www.webster.edu/technology/services/webster-alerts/