



Eco 562.01w

Managerial Economics
COURSE SYLLABUS: Session 1, Summer 2022

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Preferred Form of Communication: **e-mail**
Communication Response Time: 24 hours

COURSE INFORMATION

Textbook(s) Required and Software Required:
"Economics of Managerial Decisions", e-Text. Publisher: Pearson. (Do Not purchase MyEconLab).

<http://www.mypearsonstore.com/bookstore/economics-of-managerial-decisions-the-subscription-0134176081>

Link to instructions to purchase loose leaf copy of text:

<https://screencast-o-matic.com/watch/cFl2Dlr5qG>

Course Description

The course examines and applies economic concepts and models, primarily microeconomic, to various types of management problems. While analysis is primarily in terms of cost, demand, revenues, and market structure, the process combines ideas and methods from other functional fields of business administration especially quantitative tools. Particular emphasis is placed on modern pricing methods.

This syllabus is a suggested outline and NOT a contract. It represents the **minimum** material we will cover. We will discuss additional material as our class discussions warrant. You are responsible for all of the material in each assigned chapters whether or not I cover that material in the Webinar.

Dates are approximate and subject to change that will be announced in Webinar. Your class page has a wealth of material in the "Content" tab. You are expected to look at all of that material.

You may be tested on any material listed in the syllabus, on your class page and discussed in class.

Student Learning Outcomes

Upon completing the class students should be to apply the concepts below to managerial decision making in the modern firm.

1. Math Background
 - a. Graphing
 - b. Calculus
2. Consumer Choice
3. Demand, Supply, Market clearing and elasticity

COSTS AND PRODUCTION

1. Inputs and Production
2. Costs and Cost minimization
3. Cost Curves
4. Difference between costs in Economics and Accounting.

BOUNDARIES OF THE FIRM

1. Horizontal (scale and scope)
2. Vertical (make or buy)

MARKETS AND COMPETITIVE ANALYSIS

1. Industry Analysis (Porter's five forces)
2. Non Interdependent Markets (Competition and Monopoly)
 - a. Entry/Exit, and degree of market power
 - b. Industry Analysis
 - c. Profit Maximization
3. Interdependent Markets (Oligopoly and Monopolistic Competition)
 - a. Firms with market power
 - b. Profit Maximization
 - c. Strategic Behavior
 - a. Duopoly models
 - b. Game theory and Expected Value Game Theory
4. Yield Management
5. Advanced Pricing Methods (bundling, two part tariff, tie in sales)

VALUE BASED PRICING

1. Value Creation

2. Price Structure
3. Price & Value communication
4. Pricing Policy
5. Price Level

PRICING HUMAN CAPITAL

COURSE REQUIREMENTS

Minimal Technical Skills Needed

This course presupposes some knowledge of calculus to the extent that you should be able to take a simple derivative. In addition, this course presupposes that you have a working knowledge of statistics. While the course material reviews measures of central tendency and dispersion as well as Ordinary Least Squares- regression analysis- these are reviewed in the context of their applications in the field of managerial economics. It is assumed you have already studied all these tools either in your undergraduate program or in your previous graduate courses. I HAVE PUT REVIEW MATERIALS ON YOUR CLASS PAGE BUT YOU WILL HAVE TO GO THROUGH THEM TO BRING YOURSELF UP TO SPEED. There are numerous videos on YouTube that will correct any background deficiencies you may have. If you don't know what a derivative is, or if you don't know what we mean by measures of central tendency and dispersion or Ordinary Least Squares regression analysis, and do not have the time to go through the review materials (or do not wish to) you should rethink taking this course at this time. Fixing background issues is your responsibility alone.

This is a class dealing with the application of economic theory to managerial decision making. It is not about your or my opinions. It is about your learning the theory and how to apply it. We do not encourage chat rooms where you exchange your personal opinions. That only leads to a false sense that you have learned something. There are right and wrong answers. Analysis based on a solid theoretical underpinning is what I hope to accomplish.

Instructional Methods

This is an online class and requires the student to be more **self-directed**. Please make sure you have a working microphone. You are responsible for all the material in the chapters assigned whether I discuss that material in the Webinar or NOT. If you are uncomfortable with this, you may wish to reconsider taking this class. If you think this class will take less time and be easier than a face to face you are mistaken indeed. The fact that you may be working a full time job while taking this class will put additional pressure

on you. You should be aware that I still expect you to meet the timelines in this class. Your employer would not accept other time commitments as a reason for missing a deadline NOR WILL I.

You will need to study every week. No kidding. There is just too much material to cover to do otherwise.

In order to connect to the Webinars you must have a cable, DSL, or high speed modem connection. Speeds of 5 megs or more work best. Public WiFi connections tend to be sub-optimal. Chrome is the browser of choice. Also since we are using a Voice Over IP system you will need a head set with earphones and microphone. Using a separate mic and speakers creates too much feedback in the system. Typing is a most **inefficient** to communicate and will significantly degrade your learning experience. The headset combo can be purchased at WallMart or similar stores for around \$20.00.

Student Responsibilities or Tips for Success in the Course

You are responsible for reading the syllabus. This is an interactive class NOT a chat room, e-mail or web page posting class. While that may be how some of your other classes operated not this class. You must attend live or watch the recorded sessions each week. Do not get behind.

This class has a twice weekly 2 hour Webinar offered on Monday and Wednesday nights from 6:30pm CST to 8:30 pm CST. You will be required to participate live or watch the recorded sessions. A Zoom link in D2L has been created for all the Webinars and you have access through D2L. You will see the Zoom link on the top ribbon of your class page. The Webinar is your opportunity to have a live and interactive session with me and to check and extend what you are learning. I will also work through real world applications of the theory. Access to the Webinar is through the LMS D2L. The link is:

myleonline.tamuc.edu/d2l/home

If you are not coming to the Webinars or watching the recorded sessions, then you and only you will bear those costs.

You must read the chapters before Webinar. I have given you some additional Powerpoint voice over presentations in your "Content" section of your D2L site. Make sure to attend or watch the Webinars to add to your understanding and or be able to ask questions. READ THE BOOK. It is not bad. Again, you will have to integrate this material on your own, if you

choose not to attend or watch the Webinars. Exchanging e-mails is a poor way for you to learn. Asking your classmates to explain theory they may not understand is also a poor strategy.

GRADING

Final grades in this course will be based on the following scale:

A = 90%-100%

B = 80%-89%

C = 70%-79%

D = 60%-69%

F = 59% or Below

Assessments

There will be four Computational Exams (dealing with Multi-product pricing, multi-markets, Cournot Duopoly, and Game Theory) and they will be open from Friday mid-night CST till Sunday midnight CST. Exam dates could change depending on how we progress in webinar.

Unless you have a valid excuse for missing an exam deadline, you will receive a grade of F for that exam.

COURSE OUTLINE / CALENDAR

Week of Dates	Chapter	Exam Due
6/6	Calculus Review, Chapters 1,2, 3.4, 3.5, multi- market equilibrium	
6/6	Chapter 2, 4	
6/13	Chapter 5	Comp Ex1 Calculus and Multi markets Excel TBA
6/13	Chapter 6	Comp Exam 2 TBA Solver monopoly and Competition
6/20	Chapter 7	
6/20	Chapter 7,8	Comp Exam 3 TBA Cournot and Game theory
6/27	Chapter 10	

6/27		Chapter 10 Advanced Pricing, Value Pricing	
7/7		Advanced Pricing, Value Pricing and Human Capital	
7/7		Strategic Pricing	Comp Exam 4 TBA Advanced Pricing, Value Pricing,

TECHNOLOGY REQUIREMENTS

TECHNOLOGY REQUIREMENTS

Browser support

D2L is committed to performing key application testing when new browser versions are released. New and updated functionality is also tested against the latest version of supported browsers. However, due to the frequency of some browser releases, D2L cannot guarantee that each browser version will perform as expected. If you encounter any issues with any of the browser versions listed in the tables below, contact D2L Support, who will determine the best course of action for resolution. Reported issues are prioritized by supported browsers and then maintenance browsers.

Supported browsers are the latest or most recent browser versions that are tested against new versions of D2L products. Customers can report problems and receive support for issues. For an optimal experience, D2L recommends using supported browsers with D2L products.

Maintenance browsers are older browser versions that are not tested extensively against new versions of D2L products. Customers can still report problems and receive support for critical issues; however, D2L does not guarantee all issues will be addressed. A maintenance browser becomes officially unsupported after one year.

Note the following:

- Ensure that your browser has JavaScript and Cookies enabled.
- For desktop systems, you must have Adobe Flash Player 10.1 or greater.
- The Brightspace Support features are now optimized for production environments when using the Google Chrome browser, Apple Safari browser, Microsoft Edge browser, Microsoft Internet Explorer browser, and Mozilla Firefox browsers.

Desktop Support

Browser	Supported Version(s)	Browser	Maintenance Version(s)	Browser
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Microsoft® Edge	Latest	N/A
Microsoft® Internet Explorer®	N/A	11
Mozilla® Firefox®	Latest, ESR	N/A
Google® Chrome™	Latest	N/A
Browser	Supported Version(s)	Browser Maintenance Version(s)
Apple® Safari®	Latest	N/A

Tablet and Mobile Support

Device	Operating System	Browser	Supported Browser Version(s)
Android™	Android 4.4+	Chrome	Latest
Apple	iOS®	Safari, Chrome	<p>The current major version of iOS (the latest minor or point release of that major version) and the previous major version of iOS (the latest minor or point release of that major version). For example, as of June 7, 2017, D2L supports iOS 10.3.2 and iOS 9.3.5, but not iOS 10.2.1, 9.0.2, or any other version.</p> <p>Chrome: Latest version for the iOS browser.</p>
Windows	Windows 10	Edge, Chrome, Firefox	Latest of all browsers, and Firefox ESR.

- You will need regular access to a computer with a broadband Internet connection. The minimum computer requirements are:
 - 512 MB of RAM, 1 GB or more preferred

- Broadband connection required courses are heavily video intensive
 - Video display capable of high-color 16-bit display 1024 x 768 or higher resolution
- You must have a:
 - Sound card, which is usually integrated into your desktop or laptop computer
 - Speakers or headphones.
 - *For courses utilizing video-conferencing tools and/or an online proctoring solution, a webcam and microphone are required.
- Both versions of Java (32 bit and 64 bit) must be installed and up to date on your machine. At a minimum Java 7, update 51, is required to support the learning management system. The most current version of Java can be downloaded at: [JAVA web site](http://www.java.com/en/download/manual.jsp)
<http://www.java.com/en/download/manual.jsp>
- Current anti-virus software must be installed and kept up to date.

Running the browser check will ensure your internet browser is supported.

Pop-ups are allowed.

JavaScript is enabled.

Cookies are enabled.

- You will need some additional free software (plug-ins) for enhanced web browsing. Ensure that you download the free versions of the following software:
 - [Adobe Reader](https://get.adobe.com/reader/) <https://get.adobe.com/reader/>
 - [Adobe Flash Player](https://get.adobe.com/flashplayer/) (version 17 or later) <https://get.adobe.com/flashplayer/>
 - [Adobe Shockwave Player](https://get.adobe.com/shockwave/) <https://get.adobe.com/shockwave/>
 - [Apple Quick Time](http://www.apple.com/quicktime/download/) <http://www.apple.com/quicktime/download/>
- At a minimum, you must have Microsoft Office 2013, 2010, 2007 or Open Office. Microsoft Office is the standard office productivity software utilized by faculty, students, and staff. Microsoft Word is the standard word processing software,

Microsoft Excel is the standard spreadsheet software, and Microsoft PowerPoint is the standard presentation software. Copying and pasting, along with attaching/uploading documents for assignment submission, will also be required. If you do not have Microsoft Office, you can check with the bookstore to see if they have any student copies.

ACCESS AND NAVIGATION

You will need your campus-wide ID (CWID) and password to log into the course. If you do not know your CWID or have forgotten your password, contact the Center for IT Excellence (CITE) at 903.468.6000 or helpdesk@tamuc.edu.

Note: Personal computer and internet connection problems do not excuse the requirement to complete all course work in a timely and satisfactory manner. Each student needs to have a backup method to deal with these inevitable problems. These methods might include the availability of a backup PC at home or work, the temporary use of a computer at a friend's home, the local library, office service companies, Starbucks, a TAMUC campus open computer lab, etc.

COMMUNICATION AND SUPPORT

If you have any questions or are having difficulties with the course material, please contact your Instructor. If you are having technical issues please contact tech support below.

D2L runs monthly updates during the last week of the month, usually on Wednesday. The system should remain up during this time unless otherwise specified in an announcement. You may experience minimal impacts to performance and/or look and feel of the environment

Technical Support

If you are having technical difficulty with any part of Brightspace, please contact Brightspace Technical Support at 1-877-325-7778. Other support options can be found here:

<https://community.brightspace.com/support/s/contactsupport>

If you are having technical difficulty with any part of Brightspace, please contact Brightspace Technical Support at 1-877-325-7778 or click on the **Live Chat** or click on the words “[click here](#)” to submit an issue via email.

Interaction with Instructor Statement

You do not have 24/7 access to me. During the work week we will respond to e-mails, that we get, within 24 hours. On the weekends I only occasionally check e-mail. I will arrange Q&A sessions during the semester and I am available to meet with you inZoom during the day

When you communicate with me by e-mail please use your university account. I will not respond to any e-mail that does not have an .edu extension.

COURSE AND UNIVERSITY PROCEDURES/POLICIES

Course Specific Procedures/Policies

You must read the chapters before Webinar. I have given you some additional Powerpoint voice over presentations in your "Content" section of your D2L site. Make sure to attend or watch the Webinars to add to your understanding and or be able to ask questions. READ THE BOOK. It is not bad. Again, you will have to integrate this material on your own, if you choose not to attend or watch the Webinars. Exchanging e-mails is a poor way for you to learn. Asking your classmates to explain theory they may not understand is also a poor strategy.

Syllabus Change Policy

The syllabus is a guide. Circumstances and events, such as student progress, may make it necessary for me to modify the syllabus during the semester. Any changes made to the syllabus will be announced in advance.

University Specific Procedures

Student Conduct

All students enrolled at the University shall follow the tenets of common decency and acceptable behavior conducive to a positive learning environment. The Code of Student Conduct is described in detail in the [Student Guidebook](http://www.tamuc.edu/Admissions/oneStopShop/undergraduateAdmissions/studentGuidebook.aspx).
<http://www.tamuc.edu/Admissions/oneStopShop/undergraduateAdmissions/studentGuidebook.aspx>

Students should also consult the Rules of Netiquette for more information regarding how to interact with students in an online forum:

<https://www.britannica.com/topic/netiquette>

TAMUC Attendance

For more information about the attendance policy please visit the [Attendance](#) webpage and [Procedure 13.99.99.R0.01](#).

<http://www.tamuc.edu/admissions/registrar/generalInformation/attendance.aspx>

<http://www.tamuc.edu/aboutUs/policiesProceduresStandardsStatements/rulesProcedures/13students/academic/13.99.99.R0.01.pdf>

Academic Integrity

Students at Texas A&M University-Commerce are expected to maintain high standards of integrity and honesty in all of their scholastic work. For more details and the definition of academic dishonesty see the following procedures:

[Undergraduate Academic Dishonesty 13.99.99.R0.03](#)

<http://www.tamuc.edu/aboutUs/policiesProceduresStandardsStatements/rulesProcedures/13students/undergraduates/13.99.99.R0.03UndergraduateAcademicDishonesty.pdf>

[Graduate Student Academic Dishonesty 13.99.99.R0.10](#)

<http://www.tamuc.edu/aboutUs/policiesProceduresStandardsStatements/rulesProcedures/13students/graduate/13.99.99.R0.10GraduateStudentAcademicDishonesty.pdf>

Students with Disabilities-- ADA Statement

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you have a disability requiring an accommodation, please contact:

Office of Student Disability Resources and Services

Texas A&M University-Commerce

Gee Library- Room 162

Phone (903) 886-5150 or (903) 886-5835

Fax (903) 468-8148

Email: studentdisabilityservices@tamuc.edu

Website: [Office of Student Disability Resources and Services](#)

<http://www.tamuc.edu/campusLife/campusServices/studentDisabilityResourcesAndServices/>

Nondiscrimination Notice

Texas A&M University-Commerce will comply in the classroom, and in online courses, with all federal and state laws prohibiting discrimination and related retaliation on the

basis of race, color, religion, sex, national origin, disability, age, genetic information or veteran status. Further, an environment free from discrimination on the basis of sexual orientation, gender identity, or gender expression will be maintained.

Campus Concealed Carry Statement

Texas Senate Bill - 11 (Government Code 411.2031, et al.) authorizes the carrying of a concealed handgun in Texas A&M University-Commerce buildings only by persons who have been issued and are in possession of a Texas License to Carry a Handgun. Qualified law enforcement officers or those who are otherwise authorized to carry a concealed handgun in the State of Texas are also permitted to do so. Pursuant to Penal Code (PC) 46.035 and A&M-Commerce Rule 34.06.02.R1, license holders may not carry a concealed handgun in restricted locations.

For a list of locations, please refer to the [Carrying Concealed Handguns On Campus](#) document and/or consult your event organizer.

Web url:

<http://www.tamuc.edu/aboutUs/policiesProceduresStandardsStatements/rulesProcedures/34SafetyOfEmployeesAndStudents/34.06.02.R1.pdf>

Pursuant to PC 46.035, the open carrying of handguns is prohibited on all A&M-Commerce campuses. Report violations to the University Police Department at 903-886-5868 or 9-1-1.

COMMUNICATION AND SUPPORT

System Maintenance

D2L runs monthly updates during the last week of the month, usually on Wednesday. The system should remain up during this time unless otherwise specified in an announcement. You may experience minimal impacts to performance and/or look and feel of the environment

“Students should not attend class when ill or after exposure to anyone with a communicable illness. Communicate such instances directly with your instructor. Faculty will work to support the student getting access to missed content or completing missed assignments.”