Instructor: Dr. Thomas Lebesmuehlbacher Email: lebesmuehlbachert@xavier.edu

Office: Smith 328 Phone: (706) 979 1208

Office Hours: By appointment

Please read the next page carefully as it is essential to your performance in this class

1. You are in Grad School. As such I regard you as adults, I am not your baby-sitter.
2. Due dates are announced in at least one of 2 ways:
	1. on Canvas
	2. on the syllabus

Your failure to check due dates is ultimately your fault, and does not constitute an emergency that warrants an extension.

1. Assignments will be accepted on the due date only. Should you not be able to meet the deadline for an assignment you will have to communicate with me **BEFORE** the assignment is due to qualify for an extension.
2. No extension will be given **AFTER** the deadline has passed. **NO EXCEPTIONS!** Asking for an extension **AFTER** the deadline has passed will result in losing 1 percentage point of your final grade, each time you ask.
3. This class is hard. That is not a bad thing. You should want to be challenged.
4. Trying is unfortunately not good enough to deserve a good grade. You need to actually understand the material.
5. There is no extra credit, except the one listed on the syllabus. **NO EXCEPTIONS!** Asking for extra credit will result in losing 1 percentage point of your final grade, each time you ask.
6. I will provide you with lecture videos, assignments, presentation slides, and practice problems.
7. I will NOT provide study guides, formula sheets or typed up answer keys. If you want a study guide or formula sheet make one yourself. I can proof read it. Each practice problem will be discussed on Canvas. Do not ask me for answer keys via email….seriously! I don’t have them typed up.
8. Some Problem Sets will look different from class material. That is intentional! Problem Sets will test your ability to **apply** class material, not memorize it.
9. In this class you will find nurses, engineers, data analysts, managers, etc. As such it is difficult to find an appropriate pace and difficulty level. Should you find that the class is too hard, please get in touch with me early. There is little I can do if you wait until the end of the semester to voice your concerns.
10. Finally, don’t ask me a question the syllabus can answer…You guessed it, if you do, I’ll take 1 percentage point of your final grade, each time you ask.

*“Methodology, like sex, is better demonstrated than discussed, though often better anticipated than experienced.” (Leamer, AER 1983)*

**Course Description:**

Understanding the economic environment is essential for the successful management of virtually any business activity ranging from placement to production and marketing decisions. Indeed, making decisions is what management is all about. However, making the right decision is the biggest challenge any manager faces. Markets are fickle and competition can be intense, leaving managers faced with a wide variety of information and choices that need to be acted upon.

Managerial Economics provides a conceptual framework for understanding the economic forces at work in firms and markets and supplies models and tools for improving managerial decision making. This course aims to make the participant familiar with the language and methods of economic analysis while emphasizing issues of practical relevance in business management. Not only will you learn how supply and demand affect prices, or the fundamentals of differentiation in a firm’s strategy, but you will also learn how game theory can improve your decision-making processes, at a strategic level within the organization.

**Learning Goals:**

* Understand basic market mechanisms and tools and techniques used in economic analysis
* Understand optimal pricing strategies
* Understand incentive structures and develop optimal strategy methods
* Gain insight into production process in particular cost analysis
* Better understand organizational architecture
* Identify potential conflicts and efficiently reduce such conflicts

Please note, I believe that Economics is best learned by doing. As such, this course is very much based on assignment. Lecture videos and textbook chapters are relatively short, which will give you more time to complete the assignments, and learn while you complete them. Most assignments will ask you to apply the material, very few will ask you to simply memorize the material.

**Textbook:**

* There is no textbook you need to purchase. I will post relevant chapters on Canvas in the form of downloadable PDFs.

**Grading:**

Share the News: 10%

Mini Assignments: 15%

Problem Set 1: 25%

Problem Set 2: 25%

Problem Set 3: 25%

* **Share the News**: At the end of most modules, find and share a current news article and post it on the respective discussion board. In one paragraph, explain how the article relates to the material in the module. Each article topic can only be used once, thus there is a first-mover advantage. Points will be awarded based on the relevance of the article to the module, and the accuracy of your explanation.
* **Mini Assignments** are short homework assignment. They include a mix of questions including True/False, Math, etc. Students are expected to work on them individually.
* **Problem Sets**: Problem Sets can be (but don’t have to be) group work. They are longer assignments, often involving short answers, data analysis and algebra. If you work in a group, you only need to submit one assignment per group. Please make sure every group member’s name is on the assignment. Since you are responsible for finding a group (if you chose to work in a group), I will not get involved in any issues pertaining to free-riding, etc. You are adults, figure it out yourself…
* **Exams**: There will be no exams.
* **Discussions**: There will be no discussions. In the past, I found them to be superficial and not very helpful to learning outcomes. To foster interactions among students, we will use i) group work, ii) Share the News, and iii) the Q&A extra credit described below.
* **Extra Credit:** I believe that sometimes students learn better from other students. Therefore, I want to encourage you to learn from each other. On Canvas, you can find a discussion board that is labeled ‘Questions and Answers’. The point of this discussion board is to ask questions about topics you did not understand entirely, and for other students to answer. Extra credit is awarded as follows.
	+ The first correct answer to a question will receive a 0.5 percentage point increase in their final grade.
	+ The best answer will receive a 0.5 percentage point increase in their final grade.
	+ To minimize the risk of students boosting each other’s grade, each “question-answer” pair will only get the credit once. An example: If Tim asks a question and Tom answers, Tom will receive EC. If Tim asks another question and Tom and Zach answer, Tom will not get EC, but Zach will. If Tom asks a question and Tim answers, Tim will receive EC…
* **Grading Scale:**

|  |  |
| --- | --- |
| A 93+ | C 73 - 76  |
| A- 90 - 92 | C- 70 - 72 |
| B+ 87 - 89 | D+ 67 - 69 |
| B 83 - 86 | D 63 – 66 |
| B- 80 - 82 | D- 60 - 62 |
| C+ 77 - 79 | F <60 |

Final grades are rounded to the nearest whole number, e.g. 89.50 is a A- and a 89.49 is a B+.

**Missed Deadlines:**

I will not give extensions to deadlines, unless **PREVIOUSLY** agreed upon. You are forewarned well in advance to properly schedule your time and make proper arrangements for any potential conflicts. Asking for an extension **AFTER** the deadline has passed will result in losing 1 percentage point of your final grade, each time you ask.

**Honor Code:**

Everything is open book, so there is basically no cheating. However, you cannot have anybody else answer any questions for you (Tutor, friend, internet forums, Chegg.com, etc). The Honor Code is taken very seriously. Cheating will not be accepted and results in failing the class – no exception. As a Xavier student, you have accepted to abide by the University’s academic honesty code. Information about Academic Integrity can be found at http://www.xavier.edu/handbook/standards/Academic-Honesty.cfm. Lack of knowledge of this policy is not a reasonable excuse for a violation.

**WCB Mission Statement:**

“We educate students of business, enabling them to improve organizations and society, consistent with the Jesuit tradition.”

**Disability and Health Related Issues:**

If you are a student with a disability and feel that you may need a reasonable accommodation to fulfill the essential functions of the course that are listed in this syllabus, students with physical, medical and/or psychiatric disabilities or students with AD(H)D and/or specific learning disabilities are encouraged to contact Student Disability Services. See http://www.xavier.edu/disability-services/index.cfm for more information.

**Assignment Due Dates:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Week** | **Day** | **Date** | **Module** | **Details** |
| Week 1 | Monday | August 22 | Start Here | Ice Breaker |
| Week 1 | Sunday | August 28 | Module 1A or 1B | Share the News |
| Week 2 | Wednesday | August 31 | Module 1C | Mini Assignment |
| Week2 | Sunday | September 4 | Module 1D | Share the News |
| Mini Assignment |
| Week 3 | Thursday | September 8 | Module 2A | Problem Set 1 (Covers Module 1) |
| Share the News |
| Week 4 | Monday | September 12 | Module 2B | Mini Assignment |
| Week4 | Friday | September 16 | Module 2B - 2C | Share the News |
| Mini Assignment |
| Week 5 | Tuesday | September 20 | Module 3A | Share the News |
| Week 6 | Monday | September 26 | Module 3B | Share the News |
| Mini Assignment |
| Week 6 | Sunday | October 2 | Module 3C | Problem Set 2 (Covers Module 2 – 3B) |
| Mini Assignment |
| Week 7 | Wednesday | October 5 | Module 4A | Share the News |
| Mini Assignment |
| Week 8 | Monday | October 10 | Module 4B | Share the News |
| Mini Assignment |
| Week 8 | Friday | October 14 | Module 4C | Problem Set 3 (Covers Module 3C – 4C) |

**Suggested Module Due Dates:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Week** | **Day** | **Date** | **Module** | **Details** |
| Week 1 | Monday | August 22 | Start Here | Course Introduction |
| Week 1 | Wednesday | August 24 | Module 1A | Demand Analysis - Intro |
| Week 1 | Sunday | August 28 | Module 1B | Factors Determining Demand |
| Week 2 | Wednesday | August 31 | Module 1C | Elasticities |
| Week2 | Sunday | September 4 | Module 1D | Estimating Demand |
| Week 3 | Thursday | September 8 | Module 2A | Short and Long Run Supply |
| Week 4 | Monday | September 12 | Module 2B | Cost Structures |
| Week4 | Friday | September 16 | Module 2C | Estimating Costs |
| Week 5 | Tuesday | September 20 | Module 3A | Competitive Markets |
| Week 6 | Monday | September 26 | Module 3B | Monopolistic Markets |
| Week 6 | Sunday | October 2 | Module 3C | Oligopolies |
| Week 7 | Wednesday | October 5 | Module 4A | Price Discrimination |
| Week 8 | Monday | October 10 | Module 4B | Multiproduct Pricing |
| Week 8 | Friday | October 14 | Module 4C | Transfer Pricing |