

Managerial Economics (ECON 3125-090)

Spring 2017

Tuesday 5:00 p.m. – 7:45 p.m. in Cameron Hall 101

Instructor: Michael Herron

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Office Hours: Tuesday 4:00 p.m. – 4:45 p.m.

Prerequisites: ECON 2102, MATH 1120 or MATH 1241, STAT 1220, and INFO 2130.

Course Description: This course focuses on the application of microeconomic theory to decisions faced by businesses of all sizes. We consider economic decisions of particular interest to firms, e.g., demand theory and estimation, cost analysis, and pricing policies. By further developing microeconomic principles, we analyze questions of the optimal level of production, pricing, and competitive positioning of the business.

Textbook (recommended): Samuelson & Marks. Managerial Economics. Wiley Publishing. (any edition)

Turning Technologies NXT Response Card “clicker” (required): All exams and weekly bonus questions will be taken using a clicker, available for purchase in the bookstore. **If you forget to bring your clicker you cannot earn credit toward that week’s bonus point. If you forget your clicker on an exam day, you may still take the exam but your score on that exam will be reduced by 5%.**

Objectives: You will acquire a sophisticated knowledge of microeconomic tools and the ability to explain these tools in words, using graphs, and using mathematics. You will be able to apply this knowledge of microeconomics and the techniques acquired in this course and its prerequisite courses to recommend efficient managerial decisions.

Attendance Policy: I do not take attendance. However, **you must be in class (and have your clicker) to earn credit toward that week’s bonus point.** These weekly bonus points are added to your course grade, **and can boost your final grade by a full letter.**

Grading Policy

Exams:

(100% of course grade)

There will be four exams: three midterms and one optional final. Only your highest three exam grades will count. All exams are cumulative, but place more emphasis on recent material. Students who are late for an exam will be permitted to take the exam *provided no other student has left the room*. No additional time will be given to late students.

Make-up exams will not be given for any reason. If you miss an exam, you will receive a zero, but you can take the optional final to replace it. (You must have three exam grades, so only one exam grade can be replaced by taking the final.)

**Bonus clicker questions:
(up to one percentage
point per week added to
course grade)**

There will be in-class review questions and group problems every week to help you practice the techniques we learn. If you participate in these, you can earn *up to one percentage point per week* added to your course grade. You must use your clicker to earn credit.

Your final grade will be rounded to the nearest whole percentage (i.e., 89.5 rounds to 90; 89.4999 rounds to 89).

Grading Scale

A: 90-100%

B: 80-89%

C: 70-79%

D: 60-69%

F: Below 60%

Class Schedule (subject to change)

DATE	TOPIC	CHAPTER
Tuesday, 1/10	Syllabus Introduction Calculus review Optimal decisions using marginal analysis	1 2
Tuesday, 1/17 ¹	Demand analysis and optimal pricing – elasticity	3
Tuesday, 1/24	First bonus clicker questions Demand analysis and optimal pricing – price discrimination	3
Tuesday, 1/31	Estimating and forecasting demand – regression analysis	4
Tuesday, 2/7	Estimating and forecasting demand – time series analysis Review for Exam 1	4 1 – 4
Tuesday, 2/14	Exam 1	1 – 4
Tuesday, 2/21	Production – long run and short run	5
Tuesday, 2/28	Production – multiple plants, multiple products	5
Tuesday, 3/7	STUDENT RECESS – NO CLASS	
Tuesday, 3/14	Cost analysis – short run and long run	6
Tuesday, 3/21 ²	Cost analysis – returns to scale, economies of scale and scope Review for Exam 2	6 1 – 6
Tuesday, 3/28	Exam 2	1 – 6
Tuesday, 4/4	Perfect competition – supply and demand, short v. long run	7
Tuesday, 4/11	Perfect competition – market efficiency, international trade	7
Tuesday, 4/18	Pure monopoly, cartel	8
Tuesday, 4/25	Natural monopoly, monopolistic competition Review for Exam 3	8 1 – 8
Tuesday, 5/2	Exam 3	1 – 8
Tuesday, 5/9	FINAL EXAM (Optional) 5:00 p.m. – 7:30 p.m., same classroom	1 – 8

¹Monday, 1/16 – Deadline to add/drop with no grade

²Monday, 3/20 – Deadline to withdraw from course with a grade of W

Academic Integrity: All students are required to read and abide by the Code of Student Academic Integrity. Violations of the Code of Student Academic Integrity, including plagiarism, will result in disciplinary action as provided in the Code. Definitions and examples of plagiarism are set forth in the Code. The Code is available from the Dean of Students Office and online here: (<http://legal.uncc.edu/policies/up-407>).

Electronic Devices: The use of cell phones, smart phones, or other mobile communication devices is disruptive, and is therefore prohibited during class. Students are permitted to use a laptop or tablet during class for note-taking and other class-related work only. Those using any kind of electronic device during class for any other purpose will be asked to leave. During exams, no electronic device of any kind may be used, with the exception of your clicker and a basic calculator. Calculators with programmable memory are not permitted, nor are any calculator apps on a phone, tablet, or laptop.

Final Exam Schedule: The university establishes the final exam schedule for all courses, and [specifies the circumstances](#) under which students are permitted to reschedule final examinations.

Diversity Statement: The Belk College of Business strives to create an academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.

****I may modify this syllabus at any time. Changes to the syllabus will be made on Canvas and announced in class.****