RESEC 428 – Managerial Economics
Mondays: 4:00 – 6:30
203 Holdsworth

Description and Objectives:

This course focuses on the integration between economic theory and quantitative methods to enhance management decision making. Topics include Theory of Consumer Choice and demand, production and cost, capital budgeting, risk, and forecasting. There are three specific objectives:

1) Review and integrate what you already know from previous courses.
2) Offer a different perspective to what we learned in microeconomics and provide an analytical foundation for dealing with decision-making.
3) Encourage development of the neutral pathways needed for further study in modern economic analysis for managerial problems.

Requirements:

The final grade is based on performance on examinations and assignments. There will be two exams throughout the semester, each equals to 25% of the final grade (100 points each). The final exam equals to 30% (120 points), and two assignments worth 10% a piece (40 points each). The maximum total of points is 400.

Textbook:

The assigned text is:


This is a required text in which you will find a complete and expanded discussion of the material given in class, plus a plenty of examples and exercises which will make a lot of difference in your performance in the assignments and tests.

Grading:
Letter grades for the course will be assigned according to the following Grading Scale:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Approx. %</th>
<th>Range of Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>95-100</td>
<td>380-400</td>
</tr>
<tr>
<td>A-</td>
<td>90-94</td>
<td>360-379</td>
</tr>
<tr>
<td>B+</td>
<td>85-89</td>
<td>340-359</td>
</tr>
<tr>
<td>B</td>
<td>80-84</td>
<td>320-339</td>
</tr>
<tr>
<td>B-</td>
<td>75-79</td>
<td>300-319</td>
</tr>
<tr>
<td>C+</td>
<td>70-74</td>
<td>280-299</td>
</tr>
<tr>
<td>C</td>
<td>65-69</td>
<td>260-279</td>
</tr>
<tr>
<td>C-</td>
<td>60-64</td>
<td>240-259</td>
</tr>
<tr>
<td>D+</td>
<td>55-59</td>
<td>220-239</td>
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<tr>
<td>D</td>
<td>50-54</td>
<td>196-219</td>
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<tr>
<td>F</td>
<td>49 and Below</td>
<td>195 and Below</td>
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</tbody>
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Timing for assignments and tests is indicated below. Exam dates will not be changed as we have limited number of class meetings. Make-up exams will not be given. If you fail to show up for any one exam, you may receive the average of the scores you earned on all of the other exams. This, of course, is conditional upon providing written evidence from a university authority explaining your legitimate absence and accompanied with a formal document such as a doctor’s note or a police/court report explaining the circumstances of an illness, accident, jury duty, etc. Contact information for the person who wrote the report is required too. Otherwise, you will receive a zero for the missed exam. If you miss the two exams and yet somehow meet these conditions for each missed exam, your course grade will be based on your performance on the final exam only. Your other option while still meeting the conditions above is to petition the School for late withdrawal from the course.

**Responsibilities and Expectations:**

Your responsibilities are to learn the course material, complete two assignments, and take 3 exams. Regular attendance is expected for it plays a crucial role in your performance despite the fact that attendance will not be taken in class, nor will there be any grade assigned to it. It is simply your own mature responsibility. Actions that have negative effects on others will not be tolerated in the classroom. If you must arrive late or leave early, you should do so as quietly as possible. In consideration of your fellow students and the professor, please refrain from talking while the lecture is going on. No cell phones should be audible nor should texting be done during class. Cell phones should not be used as calculators during the exams.
**Academic Honesty (University Policy):**

Please act with integrity in all academic activities; i.e., no cheating. Any evidence of cheating on an exam will result in a score of zero (0) on that exam. Cheating on the final exam will result in an “F” for the course. Cheating will also be reported to University officials who may administer additional punishment. Cheating includes but is not limited to bringing notes or written or electronic materials into an exam, using notes or written or electronic materials during an exam, copying off another person’s exam, allowing someone to copy off of your exam, and having someone else take an exam for you.

**Assignments and Tests Schedule:**

- **February 8th:** In-class practice on Assignment I
- **February 16th:** Assignment I Due
- **February 22nd:** Graded Assignment I is back to class, will be gone over.
- **March 7th:** Test I
- **March 21st:** Graded Test I is back to class, will be gone over
- **March 28th:** In-class practice on Assignment II
- **April 4th:** Assignment II Due
- **April 11th:** Graded Assignment II is back to class, will be gone over.
- **April 20th:** Test II
- **April 25th:** Graded Test II is back to class, will be gone over plus a review for the final exam

**General Course Outline:**

Managerial Economics: Methodological Notes  
Theory of Consumer Choice: Demand  
Theory of Firm Choice: Production  
Exam 1  
Theory of Firm Choice: Cost  
Theory of Capital Budgeting  
Exam 2  
Theory of Economic Forecasting  
Final Exam