

Managerial Economics (ResEcon 428)

Spring 2020 Syllabus

Matt Woerman
Resource Economics, UMass Amherst

Course Info

When: Tuesday & Thursday, 8:30–9:45 am
Where: 202 Holdsworth Hall
Website: moodle.umass.edu
Course Credits: 3 credits

Instructor: Matt Woerman
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Office: 218 Stockbridge Hall
Office Hours: Tuesday, 2:00–3:00 pm

Teaching Assistant: Gayan Udugama
Email: gudugama@umass.edu
Office Hours: Wednesday, 1:00–2:00 pm, 210 Flint Laboratory

Course Objective

The purpose of this course is to show you how to connect the courses that you have taken in this major and apply the economic way of thinking in business decision making.

Prerequisites

- Intermediate microeconomics (ResEcon 202 or Econ 203)
- Introductory statistics (ResEcon 212)
- Intermediate statistics with an emphasis on regression (ResEcon 313)
- Financial analysis for consumers and firms (ResEcon 314 or ACCOUNTG 221 or FINANCE 301)

Required Materials

- **The McGraw Hill Connect learning system**
Connect is an online learning system that includes an e-book, interactive study materials, and homework assignments. Your student fee for this course includes access to Connect. The Connect site for this course is available at:
connect.mheducation.com/class/m-woerman-spring-2020-tuth-830-945.

- **Microsoft Excel and its Analysis Toolpak**

The Microsoft Office 365 Education suite, which includes Excel, is available for free to all students; see this link: www.umass.edu/it/software/microsoft-office-365-education. Alternatively, you may use any campus lab computer for access. Instructions for loading Excel's Analysis Toolpak are available at: support.office.com/en-us/article/load-the-analysis-toolpak-in-excel.

Optional Materials

- **Physical textbook**

The Connect learning system includes an online e-book. If you prefer to own a physical copy of the textbook, you may purchase a loose leaf copy from the publisher for a discounted price of \$40; see the "Course materials" links in Connect.

- **Basic calculator**

You may occasionally need a calculator in class. Only basic calculators will be allowed during exams; no graphing or text-storing calculators.

Grades

I will calculate grades according to the following percentages:

Assignment	Percentage	Frequency
Online homework	25%	Nearly every week; 2 lowest will be dropped
Case studies	25%	6 in total; roughly every 2 weeks
Midterm exam	25%	TBD
Final exam	25%	May 6, 8:00–10:00 am

I will use the following grading scale:

Grade	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	F
Score	93–100	90–93	87–90	83–87	80–83	77–80	73–77	70–73	67–70	63–67	60–63	0–60

Reading and SmartBook

- For the best learning result, you should read the textbook material prior to the lecture.
- I will assign optional SmartBook assignments to supplement your reading and assist with studying. SmartBook is an interactive e-book system that emphasizes adaptive reading and assessment.

Online Homework

- Homework is completed through the Connect online learning system, which is available at: connect.mheducation.com/class/m-woerman-spring-2020-tuth-830-945.
- You will have an online homework assignment nearly every week. I will announce the due date and time for each online homework assignment in lecture and it will be shown in Connect. If you do not complete an online homework assignment before it is due, you will receive no credit for it.

- You are allowed two attempts at each online homework assignment.
- I will drop your lowest two online homework scores. I will not offer any make-up homework if you miss an assignment, so use your drops wisely.
- If you encounter any issues with the Connect online learning system, please contact McGraw Hill customer support: www.mhhe.com/support.

Case Studies

- Each case study can be submitted either as a team or individually. A team can have no more than 3 members.
- Each case study will be graded using a rubric that evaluates content, writing quality, and format.

Exams

- The midterm exam will be held during class time. The date is still to be determined.
- The final exam will be held on Wednesday, May 6 at 8:00–10:00 am. The final exam will be comprehensive.
- I will not give make-up exams, except under extenuating circumstances as defined in the Academic Regulations: www.umass.edu/registrar/sites/default/files/academicregs.pdf. If an exam conflicts with another exam or class, you must provide verification of this conflict from the Registrar's Office at least one week before the exam.

Exam Protocol

- Both the midterm and final exams are closed-book and no notes are allowed.
- Bring pen, pencil, eraser, straight edge, basic calculator, and your student ID.
- Talking is not allowed during exams.
- Anyone violating the exam protocol will be asked to leave and will receive no credit for the exam.

Attendance

I do not have a formal attendance policy, but I highly recommend attending all classes. Attendance will help you stay current on the course materials, and I will borrow heavily from lecture materials for the exams.

Communication

I will make class announcements—assignment due dates, exam time and location, class cancellations, etc.—using Moodle. It is your responsibility to make sure your account is activated and to check it regularly.

Accommodation Statement

The University of Massachusetts Amherst is committed to providing an equal educational opportunity for all students. If you have a documented physical, psychological, or learning disability on file with

Disability Services (DS), you may be eligible for reasonable academic accommodations to help you succeed in this course. If you have a documented disability that requires an accommodation, please notify me within the first two weeks of the semester so that we may make appropriate arrangements.

Academic Honesty Statement

Since the integrity of the academic enterprise of any institution of higher education requires honesty in scholarship and research, academic honesty is required of all students at the University of Massachusetts Amherst. Academic dishonesty is prohibited in all programs of the University. Academic dishonesty includes but is not limited to: cheating, fabrication, plagiarism, and facilitating dishonesty. Appropriate sanctions may be imposed on any student who has committed an act of academic dishonesty. Instructors should take reasonable steps to address academic misconduct. Any person who has reason to believe that a student has committed academic dishonesty should bring such information to the attention of the appropriate course instructor as soon as possible. Instances of academic dishonesty not related to a specific course should be brought to the attention of the appropriate department Head or Chair. Since students are expected to be familiar with this policy and the commonly accepted standards of academic integrity, ignorance of such standards is not normally sufficient evidence of lack of intent (www.umass.edu/dean_students/codeofconduct/acadhonesty).

Course Outline

I plan to cover the topics listed below. These plans may change as we progress through the semester. I will announce changes to this outline in lecture and through Moodle.

Week 1: January 21 & 23

- Introduction and syllabus
- Chapter 1: Managers, Profits, and Markets
- Case Study 1 assigned

Week 2: January 28 & 30

- Chapter 2: Demand, Supply, and Market Equilibrium
- Chapter 3: Marginal Analysis for Optimal Decisions

Week 3: February 4 & 6

- Chapter 4: Basic Estimation Techniques
- Case Study 2 assigned

Week 4: February 11 & 13

- Chapter 5: Theory of Consumer Behavior
- Chapter 6: Elasticity and Demand

Week 5: February 20

- Chapter 6: Elasticity and Demand
- Case Study 3 assigned

Week 6: February 25 & 27

- Chapter 7: Demand Estimation and Forecasting

Week 7: March 3 & 5

- Chapter 8: Production and Cost in the Short Run

Week 8: March 10 & 12

- Chapter 9: Production and Cost in the Long Run
- Case Study 4 assigned

Week 9: No class

- Spring Break!

Week 10: March 24 & 26

- Chapter 10: Production and Cost Estimation

Week 11: March 31 & April 2

- Chapter 11: Managerial Decisions in Competitive Markets
- Case Study 5 assigned

Week 12: April 7 & 9

- Chapter 12: Managerial Decisions for Firms with Market Power

Week 13: April 14 & 16

- Chapter 13: Strategic Decision Making in Oligopoly Markets
- Case Study 6 assigned

Week 14: April 21 & 23

- Chapter 16: Government Regulation of Business

Week 15: April 28

- Review