

Welcome to Managerial Economics (Econ 737). Please read the syllabus carefully.

UNIVERSITY OF WISCONSIN-WHITEWATER
Managerial Economics (Econ 737)
Spring 2007

Contact Information:

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Course Description and Objectives:

Welcome to Managerial Economics. In this course we will explore the resource allocation, strategic decisions, and tactical decisions made by analysts, managers, and consultants in all sectors of the economy. We will study managerial economic techniques designed to achieve the objectives of organizations, while considering both explicit and implicit constraints on achieving those objectives. The theme of managerial efficiency provides a framework for making resource allocation decisions in all enterprises. We will place major emphases on developing analytical tools, reviewing applications, and improving decision-making and problem-solving skills.

To accomplish these objectives we will develop theoretical foundations, review case studies, solve problems, and conduct stylized applied analysis. Please read this syllabus carefully as it should help guide you through the class.

Required Materials:

Baye, Michael R., Managerial Economics and Business Strategy, 5th edition (United States: McGraw Hill Irwin, 2006).

The source of lecture PowerPoint is Baye, 5th edition. Those power point slides noted McEachern, come from McEachern Economics 6th Edition (United States: Thompson, 2003).

Access to Microsoft Excel or another spreadsheet type program.

Course Expectations:

This course is taught entirely over the Internet (allowing for the exception of occasional phone contact, use of the fax machine, and standard mail). Therefore, the style and the requirements for the course are necessarily different from that of a traditional course taught in the classroom. While this course will require the same amount of time as a traditional course, students must be focused and self-motivated. In this setting the student is solely responsible for completing assignments and tests in a timely fashion.

Students are expected to read assigned material carefully (and reread in cases where concepts are particularly troublesome). You may find that you can move through certain material quickly and easily. At other times you may need to spend more time. The advantage of the Internet course is that you spend as little or as much time as you need, as long as you keep up with the assignments. In this sense the course is more efficient than a course taught in a classroom (everybody goes at the same pace). This is a two-credit course, which in a traditional setting, would be two 50-minute sessions of class time per week over 16 weeks. Therefore, you should plan on spending about two 50-minute sessions per week in "class" with an additional two to four hours per week reading, working through assignments, etc...

Steps to Follow For This Class:

Typically, to begin a learning session you will do the following. First, read the "Unit Objectives" for the appropriate module. Second, view and listen to the audio presentations found on the CD in your packet. There are often two to three different audio presentations. Each Module is initially organized through an audio PowerPoint presentation. Some Modules feature an additional audio presentation with an excel spreadsheet in the back ground. Additional Modules will also feature one or two game theory exercises. Third, read the assigned material from the textbook or other identified sources. Finally, the schedule provides information for completing the remaining assignments for the module. You will proceed through each of the modules in this fashion.

Grading System

Your grade in this course is based on quizzes, homework, participation in discussions, a paper, and two exams. Grades will be assigned according to the following distribution. A: 91-100%, AB: 87-90%, B: 81-86%, BC: 77-80, C: 70-76%, D: 60-69%, F: 59 and below.

Participation	12%
Homework	12%
Quizzes	26%
Individual Paper	10%
Exam 1	20%
Exam 2	20%

Participation:

Students are required to contribute and participate in class discussion, even though it is a web-based class. You will "participate" in class activities in our managerial economics discussion room. In the discussion room you will ask relevant questions, provide answers to questions, discuss group projects, and offer work-related examples relevant to the class. I will monitor and join the discussion, sometimes providing answers to questions, interjecting my own thoughts and ideas, but primarily my role is that of facilitator. I will track student involvement in the discussion room. I expect everyone to participate (either by asking a relevant question, providing an answer to a posed question, offering a work-related example, etc...). How much participation is acceptable? In the context of a web-based course, this type of interaction is crucial to feeling connected to the other students in the class. As a general guideline if you are not offering at least one (1) thoughtful question or comment per module, then you are not participating enough. Thus, participation requires at least one question or comment. On the other hand, you don't want to dominate the chat room with an overwhelming amount of activity either. Use your judgment. The group leader is required to write a summary of that discussion. The grade received on that discussion is based both on participation and the summary.

Your discussion contributions should not merely state: "I agree with the previous comment; rather, you should attempt to move the discussions forward by adding specific insights something you noticed on a site that is pertinent to the discussion, the way you may have actually benefited from a site feature, how article's content may relate to an online lecture or other article posted in Content, etc. Don't worry if your contributions are not exactly right and do not hesitate to include any "real world" experiences that are relevant. You will be graded on effort and willingness to participate; there is no expectation that every contribution will be brilliant. In fact, don't wait for "inspiration; get involved early in the discussions and regularly review your fellow students' postings. Just be sure your contributions are pertinent to the topic being addressed.

Finally-- If you are unable to participate in a discussion section due to work or family concerns (or if you simply do cant find the time) there is room for error: you only need to fully participate in 4 out of the 5 discussions. However, you cannot skip the discussion you are assigned to "lead".

Assessment:

In each module I will assign several problems. There will be a series of upgraded quizzes to provide you some insight into areas that are challenging. These will not be graded. However, answers will be provided.

There is also a series of graded quizzes. If you click on the quiz function, you will see that the quizzes are available for about 6 days. Once you log into the quiz, you have 90 minutes to complete that particular quiz. These quizzes are due by 11:55 pm on the Sunday that the Module ends. For Example, the quiz for Module 1 is due by 11:55 pm on Sunday January 28, 2007. This is to allow students to complete the quizzes during the weekend, if necessary. The purpose of these graded quizzes is to help you solidify your

understanding of concepts highlighted in the module. Completion of these assignments is essential to performing at a high level on exams. Answers to all questions are provided, and in some cases detailed solutions are shown. However, detailed solutions are not always provided--the struggle to find a solution is an important learning tool. There will be 14 of these quizzes. As a result, each one is worth 2.36% of the final grade. In addition, there are about 7-15 questions per quiz. As a result, it is important to participate in the process. However, any one question will not impact your final grade to a great degree. **Finally-- I will drop the lowest three of your quiz scores. If you need to miss a quiz due to work or family concerns (or if you simply do poorly) there is room for error: three quizzes will be dropped.**

The topics covered in these quizzes focus primarily on the assessment of general knowledge, comprehension, and application. Finally, the knowledge developed in this class is cumulative. It is critical that you understand the early modules as you progress into the later ones. It is also important that you go through the process in an orderly fashion. The audio PowerPoint presentations should be covered before you progress to the excel spreadsheet audio presentations. Those presentations should be covered before you progress to the game theory portion. In the case of the audio excel spreadsheet presentation, the actual spreadsheets are provided within the module for interested students. Finally, the quizzes should be taken after all this material is understood.

There is an additional issue of order in the course. You will find that the quizzes are a review of basic material, while the homework and discussion portion of the course is more rigorous. Finally, the paper and the tests demand greater insight based on the accumulated knowledge you developed as the course progressed.

Homework

The Homework assignments are basically outside readings that augment the text and the lectures. I will provide a short lecture introducing the concept. I will also provide some of my insight into the issue. However, the students are professionals with life and academic experience-- if possible, use your own insights to answer the questions. These assignments challenge the student to apply the knowledge obtained, predict the results, and analyze the outcomes. The student is expected to solve problems, both mathematical and verbal. The answers to the questions are specific and are located in the associated readings. Late homework will be accepted: however, the maximum grade that can be obtained by any late homework is 50% of the potential grade (or 2 points since each homework is worth 4 points).

Individual Paper:

Students will be expected to produce a graduate level paper that includes an empirical analysis. Topics need to be submitted to me for approval. The process of writing a paper is important and I require periodic drafts be submitted. The paper requires the student to develop a hypothesis (or describe a situation), synthesize information, determine the outcome and evaluate the problem. While this paper is expected to be short, it is expected to be written at a level expected of a Master's candidate. Details of this assignment are provided in Module 4 under "Individual Paper."

Exams:

Exams will be composed of questions that require problem solving. There will be two examinations during the semester. Exam 1 will cover material from chapters 1, 2, 3, 4, and 5. It is due at 11:59 pm on Wednesday February 28, 2007. Exam 2 will cover material from chapters 7, 8, 9, 10, 11 and 12. It is due at 11:59 pm on Wednesday April 25, 2007. You will be required to take these exams at the specified time and must complete the exam within a 71 hour period. It is expected that the exam will be returned at the appointed time. A Late exam will be assessed a 10% deduction per day late. As a result, an exam turned in at 12:01 am on Thursday March 1, 2007 would only be qualified to receive a maximum grade of 90%. A test turned in at 12:01 am on Friday March 2, 2007 would only be qualified to receive a maximum grade of 80%, and so on. You may use any of the course materials to answer the questions. Be prepared to bring together the material developed in the quizzes, homework, discussions, and papers to determine solutions and challenges present in Managerial Economics. Details regarding the exams are provided in the Course Schedule.

Course Modules

This course will be taught over the entire 16 week semester. As a guideline, you should plan to spend about six hours per module (this is only a guideline-you may work through some modules more quickly while others may take more time). Note that there is no Module 6-- this is due to the connection between the module and the Chapter. Since we do not include Chapter 6 in the course material, we do not have a Module 6.

At the end of the 11 weeks you will have one additional week to complete your paper. Thus, the course will cover a 12 week period. This will give you time to focus on final exams in your other course(s). I encourage you to stay on schedule with the course. Otherwise, it will be difficult for you to catch up and you will find it difficult to participate in discussion should you fall behind.

University Policy Statement:

The University of Wisconsin-Whitewater is dedicated to a safe, supportive and nondiscriminatory learning environment. It is the responsibility of all undergraduate and graduate students to familiarize themselves with University policies regarding Special Accommodations, Academic Misconduct, Religious Beliefs Accommodation, Discrimination and Absence for University Sponsored Events. For details please refer to the Undergraduate Bulletin; the Academic Requirements and Policies and the Facilities and Services sections of the Graduate Bulletin; and the "Student Academic Disciplinary Procedures (UWS Chapter 14); and the "Student Nonacademic Disciplinary Procedures (UWS Chapter 17).

Class Begins: Tuesday, January 22, 2007

<p>Week Of: Module (the modules correspond with the Chapter in the book. Note, there is no Module 6. The work in this course does not include Chapter 6).</p>
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January 22	Introduction and Module 1
January 29	Module 2a and 2b
February 5	Module 3
February 12	Module 4
February 19	Module 5a and Module 5b
February 26	Set a portion of this week aside to review for the first Midterm. Exam 1 is Scheduled for February 26, 2007 - February 28, 2007 (Chapters 1, 2, 3, 4, and 5)
March 5	Module 7
March 12	Module 8a and 8b
March 19	Module 9
March 26	SPRING BREAK
April 3	Module 10 and 11
April 10	Module 12
	Exam 2 is Scheduled for April 23, 2007-April 25, 2007 (Chapters 7, 8, 9, 10, 11 and 12)
	Individual Paper (Due on April 27, 2007)

Next, allow me to introduce myself and the course via a brief audio-visual presentation. Close this file and double click on "Audio-Visual Introduction."