

COURSE OUTLINE
BSP1703 Managerial Economics
AY 2022/23 Semester I Syllabus



Section 1	Tuesday	12-2pm
Section 2	Wednesday	12-2pm
Section 3	Wednesday	4-6pm

Instructor	Office	Email	Office Hours
Dr. Tingting Wu	BIZ 2, 3-35	ting_wu@nus.edu.sg	By appointments*

**Extended consultation hours will be set up and announced prior to the final exam. In the meantime, all teaching staff will be available for discussions before and after lectures and tutorials so please feel free to approach the lecturer and tutors. You may also email all teaching staff at any time for further questions and office hour requests.*

COURSE OVERVIEW

Managerial economics is the science of directing scarce resources in the management of business or other organizations. This course will introduce you to fundamental principles of microeconomics most relevant to managers. It focuses on analysing the functioning of markets, the economics behaviour of firms and other economic agents, as well as their economic or social implications. It integrates global business issues and practice and provide students with knowledge about how to allocate scarce resources and develop competitive strategies. It will lay a foundation for your further studies in management, accounting, finance and marketing.

The goal for this course is to develop students' capacity to analyse economic environments, recognize the benefits and costs associated with business activities, as well as the constraints firms face in varying economic scenarios, in order to make the optimal choice to fulfil managerial objectives.

KEY LEARNING OUTCOMES

On successful completion of the module, students should be able to:

- Explain the function of market mechanisms, the interaction among economic agents and analysed quantitatively how market price and quantity are determined.
- Describe how a consumer with limited income decides which goods and services to buy.
- Quantify risk and compare the riskiness of alternative choices.
- Explain how cost is defined and measured, and distinguish between the concept of cost used by economists and by accountants.
- Explain different market structures, and quantify how firms in all markets, competitive or otherwise, choose the profit-maximizing output in the short run and long run.
- Measure and explain quantitatively the welfare effects of a government policy.
- Use more complicated pricing strategies and convert them into additional profits for firms.
- Apply game theory to understand how markets evolve and operate, and how managers should think about the strategic decisions they continually face.

ASSESSMENT

1. Problem Sets: 20%
2. Case Study: 20%
3. Attendance/participations in Tutorials: 10%
4. Final Exam: 50%

Problem sets are individual work. The assessment of 2 above is based on group-work. This means that all members in a group will receive an equal assessment for their aggregate work. Thus, all of the group members should fully participate in the learning and discussion activities, and contribute to the team's performance in good faith. More details will be given in the class.

TEACHING/LEARNING VEHICLES

1. Lecture Notes

The lecture slides will be available at Canvas before each class meeting. Students are expected to visit the site regularly, download, and preview the lecture slides and the relevant textbook chapters before coming to class.

2. Textbooks

The syllabus for the module is covered adequately by many textbooks. The core references are

- Main:
Microeconomics (Global Edition), 9th ed., Robert S. Pindyck & Daniel L. Rubinfeld, Pearson/Prentice Hall, 2017
- Supplementary:
Managerial Economics, 5th ed., Ivan Png, Taylor & Francis, 2015.

3. Problem Sets

There will be four problem sets assigned to each student. These problems are designed to check your progress as well as extend and reinforce concepts covered in class. Students are to tackle the problems individually. Students are to upload their answers via ExamSoft. Each student is encouraged to prepare a typed or clearly handwritten answer with calculation steps for themselves to aid in answering the questions, but these steps are not required for submission. Discussion with classmates is allowed but plagiarism is against the University rules.

4. Case Study

There will be four cases in total to be assigned. The case materials designed by the lecturer will be made available through Canvas as well. Each team will be assigned with one case, submit a case report and do a 15-minute presentation in tutorial.

5. Tutorials

Tutorials are about problem set discussions, case presentations, math review, and general Q&A. Details on tutorial activities will be briefed by tutors during the first tutorial session.

6. Final Exam

The final exam covers all the lecture materials throughout the course. **Note that no make-up exam is available for a missed exam.**

ACADEMIC HONESTY & PLAGIARISM

Academic integrity and honesty is essential for the pursuit and acquisition of knowledge. The University and School expect every student to uphold academic integrity & honesty at all times. Academic dishonesty is any misrepresentation with the intent to deceive, or failure to acknowledge the source, or falsification of information, or inaccuracy of statements, or cheating at examinations/tests, or inappropriate use of resources.

Plagiarism is 'the practice of taking someone else's work or ideas and passing them off as one's own' (The New Oxford Dictionary of English). The University and School will not condone plagiarism. Students should adopt this rule - You have the obligation to make clear to the assessor which is your own work, and which is the work of others. Otherwise, your assessor is entitled to assume that everything being presented for assessment is being presented as entirely your own work. This is a minimum standard. In case of any doubts, you should consult your instructor.

Additional guidance is available at: <http://www.nus.edu.sg/registrar/adminpolicy/acceptance.html#NUSCodeofStudentConduct>

Online Module on Plagiarism: <http://emodule.nus.edu.sg/ac/>

TENTATIVE SCHEDULE

Week	Lecture	Tutorial Activities
Week 1	Course Overview and Introduction	No Tutorials
Week 2	Demand and Supply Elasticity	No Tutorials
Week 3	Consumer Theory	Group Formation
Week 4	Uncertainty and Behavioural Economics	Math Review
Week 5	Cost, Profit Maximization and Competitive Supply	Problem Set I
Week 6	Analysis of Competitive Markets	Case 1 Presentation
Recess Week		
Week 7	Market Power and Uniform Pricing Monopoly	Problem Set II
Week 8	Sophisticated Pricing with Market Power	Case 2 Presentation
Week 9	Monopolistic Competition and Oligopoly	Problem Set III
Week 10	Game Theory: Static Games	Case 3 Presentation
Week 11	Game Theory: Dynamic Games	Problem Set IV
Week 12	Asymmetric Information	Case 4 Presentation
Week 13	Course Summary	Final Review
Reading Week		