COURSE OUTLINE

BSP1703 Managerial Economics

Section 1	Tuesday	10am – 12pm
Section 2	Wednesday	10am – 12pm
Section 3	Wednesday	12pm – 2pm

Instructor**	Office	Email
Dr. XU, Le	Biz 1, 6-2	bizxl@nus.edu.sg
Dr. ONG, Pinchuan	Biz 1, 6-45	ong.pinchuan@nus.edu.sg

**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 and so please feel free to approach to the lecturer and tutors for any query.

COURSE OVERVIEW

Managerial economics is the science of directing scarce resources in the management of a 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 economic behaviour of firms and other economic agents, as well as their economic or social implications. It integrates global business issues and practice and provides 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 of 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. Assignment 1&2: 10% +10%
2. Case Study: 20%
3. Participation in tutorial: 10%
4. Final Exam: 50%

Assignment 1&2 are individual work. Case presentation is a group-work and all members in a group will receive equal assessment for their aggregate work. All the group members should fully participate in the learning activities and contribute to the team's performance in good faith. More details will be provided in class.

TEACHING/LEARNING VEHECLES

1. Lecture Notes prepared by the instructors
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
- Main:
  Microeconomics (Global Edition), 9th ed., Robert S. Pindyck & Daniel L. Rubinfeld, Pearson/Prentice Hall, 2018

- Supplementary:
  Managerial Economics, 6th ed., Ivan Png, Routledge, 2022.

3. Case Studies
There will be six cases assigned. The case materials designed by the lecturer will be made available through Canvas as well. Each team will be assigned a case and do a 15-minute presentation in tutorial.

4. 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.

5. 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

TENTATIVE SCHEDULE

Week	Lecture	Textbook Chapters	Tutorial Activities
Week 1	**Demand and Supply and Elasticity (Dr. Xu Le)**	**Ch1&2**	**No Tutorials**
Week 2	**Consumer Theory (Dr. Ong Pinchuan)**	**Ch3&4**	**No Tutorials**
Week 3	**Public Holiday No Lessons**		**Public Holiday No Tutorials**
Week 4	**Uncertainty and Behavioural Economics (Dr. Xu Le)**	**Ch5**	**Group Formation, Math Review and Tutorial Exercise 1**
Week 5	**Cost, Profit Maximization and Competitive Supply (Dr. Xu Le)**	**Ch7&8**	**Tutorial Exercise 2**
Week 6	**Analysis of Competitive Markets (Dr. Xu Le)**	**Ch9**	**Tutorial Exercise 3** **Assignment 1 Due**
Recess Week			
Week 7	**Market Power and Uniform Pricing Monopoly (Dr. Ong Pinchuan)**	**Ch10**	**Tutorial Exercise 4**
Week 8	**Sophisticated Pricing with Market Power (Dr. Ong Pinchuan)**	**Ch11**	**Presentation**
Week 9	**Monopolistic Competition and Oligopoly (Dr. Xu Le)**	**Ch12**	**Presentation**
Week 10	**Game Theory: Static Games (Dr. Xu Le)**	**Ch13**	**Tutorial Exercise 5** **Assignment 2 Due**
Week 11	**Game Theory: Dynamic Games (Dr. Xu Le)**	**Ch13**	**Tutorial Exercise 6**
Week 12	**Asymmetric Information and Digital Assessment Briefing (Dr. Ong Pinchuan)**	**Ch17**	**Tutorial Exercise 7**

Week 13	Q&A (Dr. Xu Le)		Tutorial Exercise 8
Reading Week			