

ECO 571  
Managerial Economics

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Office hours: M-F 7:30-8:30 a.m. and by appointment

**Text**

Managerial Economics in a Global Economy, South-Western, 5th edition, Dominick Salvatore (0-324-17187-0)

**Prerequisites**

Graduate Standing; Managerial Economics: The application of economic theory and the tools of decision science to examine how an organization can achieve its aims or objectives most efficiently.

**Objectives of the Course**

1. To develop the theory of the firm to integrate and link economic theory, decision sciences, and functional areas of business.
2. To examine how economic theory, decision sciences and functional areas of business lead to improved managerial decision making.
3. To review some basics of demand and supply.
4. To analyze how price and output are determined under various market environments.
5. To examine various pricing practices under various forms of market organization.
6. To study the impact of regulation and antitrust on the behavior of firms.

**CLASS MEETINGS**

Classroom SH-133 on Tuesday, Thursday and Saturday 12 noon to 2:50 pm. for two weeks beginning with the first in residence meeting on Tuesday, August 7, 2007 and the last in residence session, August 18, 2007.

**WEB-BASED SESSIONS**

Four (4) specific assignments will be required of the student who will prepare and submit the materials for grading and evaluation. The final examination will be transmitted by the student to the instructor no later than December 6, 2007.

## **TEACHING METHOD**

The teaching methods utilized will be lecture, class discussion, problem analysis, case study, class research, and web-based exercises conducted through Blackboard. To introduce an element of practicality into the learning experience, students will be given research projects involving managerial economics topics. Students will find and describe solutions to case studies.

## **COURSE EVALUATION PROCESS**

There will be two tests in residence and a final examination. In addition there will be five (5) outside web assignments. Grade weighting will be as follows:

Test #1-20%; Test #2-20%; Four (4) Web Assignments @ 10% each-40%; Final Examination-20%

Course grades are determined by applying the following scale to a student's weighted average:

90 and above A; 80 to 89 B; 70 to 79 C; 60 to 69 D; Below 60 F

## **EXAMINATIONS**

Examinations are designed to test the student's understanding of facts, concepts, and problem-solving methods. The ability to perform well on examinations will require substantial reading of the text and answering the questions at the end of each chapter or handout. The unit exam will be given over the materials covered in residence. The final exam will be an open-book exam over all material covered in the web-study portion of the course.

## **ASSIGNMENT COMPLETION/TURN-IN**

Assignments must be turned-in by the date due listed on the syllabus. No late assignments will be accepted for credit.

## **ATTENDANCE**

Regular class attendance during the residency period is absolutely necessary to do well in the class and attendance will be recorded during each class period.

## **READING**

The nature of the course necessitates that the chapters from the text and other assigned materials be read to coming to class.

## **LECTURE OUTLINES**

Lecture outlines, including some "PowerPoint" presentations from my lectures and text materials will be available on Blackboard.

## **WEB ASSIGNMENTS**

Four (4) cases will be assigned for students to evaluate and prepare a written commentary. Solutions to assigned questions will be submitted by email and by the deadline date.

## **STUDENTS WITH DISABILITIES POLICY**

It is the policy of Sam Houston State University that individuals otherwise qualified shall not be excluded, solely by reason of their disability, from participation in any academic program of the University. Further, they shall not be denied the benefits of these programs nor shall they be subjected to discrimination. Students with disabilities that might affect their academic performance are expected to visit with the Office of Services for Students with Disabilities located in the Counseling Center. They should then make arrangements with their individual instructors so that appropriate strategies can be considered and helpful procedures can be developed to ensure that participation and achievement opportunities are not impaired. SHSU adheres to all applicable federal, state, and local laws, regulations, and guidelines with respect to providing reasonable accommodations for students with disabilities. If you have a disability that may affect adversely your work in this class, then I encourage you to register with the SHSU Counseling Center and to talk with me about how I can best help you. All disclosures of disabilities will be kept strictly confidential. NOTE: No accommodation can be made until you register with the Counseling Center. For a complete listing of the University policy, see:

[http://www.shsu.edu/%7Evaf\\_www/aps/811006.html](http://www.shsu.edu/%7Evaf_www/aps/811006.html)

### Tentative schedule for Summer 2007 In Residence

DATES	SUBJECT
Aug. 7	Introduction to Course (Chapter I), Methods (Chapter 2.1,2.2 only), Demand (Chapter 3)
Aug. 9	Demand Estimation (overview of approaches in Chapters 4 and 5)
Aug. 11	Production and Costs (Chapters 6 and 7), Test 1
Aug. 14	Market Structures (Chapters 8 and 9), Pricing Stories (Chapter 9)
Aug. 16	Pricing Practices (Chapter 11)
Aug. 18	Regulation and Antitrust (Chapter 12), Test 2

### **Web Study**

Assignment #1- Due Date of September 1, 2007

Assignment #2- Due Date of September 22, 2007

Assignment #3- Due Date of October 13, 2007

Assignment #4- Due Date of November 10, 2007

Assignment - Final Examination Due Date of December 6, 2007