**Economics for Managers**

**Course Description**

This is an upper division course in managerial economics in a way designed to be accessible to management majors at CSUN. Traditional managerial economics courses are too mathematical and quantitative intensive. That is, this course is called “Economics for Managers” rather than “Managerial Economics”.

The course connects decision and game theories to practical issues faced by firm managers. Both internal and external issues of a firm will be covered. Internal issues include organizational structure design and incentive contracting. External issues include corporate strategy and market for corporate control. Some simple math and graphs/diagrams will be used to explain the existence, organization and behavior of a firm. These economic tools will be incorporated with management approaches to assess problems inside firms.

**Prerequisites:** ECON 160, ECON 161 or its equivalent. **Textbook**

*Managerial Economics and Organizational Architecture* by James Brinkley, Clifford Smith, and Jerold Zimmerman, 6th edition, McGraw-Hill Irwin, 2015. ISBN10: 0073523143 | ISBN13: 9780073523149

**Student Learning Outcome**

1. Develop greater knowledge of the types of problems faced by firm managers.
2. Develop a greater knowledge of how to apply the economic theory and methods

to business and administrative decision making.

1. Prescribes rules for improving managerial decisions. Also tell managers how

things should be done to achieve organizational objectives efficiently.

1. Also helps managers recognize how external forces affect organizations.



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**Course Policies**

**How to Prepare for Lecture**

1. Make sure you have read the assigned material prior to lecture.
2. Make sure to review the covered lecture material after class, this will ensure a higher success rate.
3. Complete your homework assignments by the due date.
4. All lecture slides will be posted on Canvas.

**Grading**

**Exams:** There will be two written examinations in this course, one given as midterm examination and the second given as a final. The materials covered and the format of each test will be announced prior to its scheduled date. The final exam will cover the entire syllabus, although it will be weighted more heavily toward material covered after the midterm. No make-up exams will be given without verified legitimate reasons. However, there will be **NO** make up for missing the **final exam.**

**Homework:** A series of homework assignments will be given throughout the semester to help students assess their understanding of the material as well as offer a guide to the key elements of the course. Late homework will not be accepted.

**Project:** A short paper is due by the end of the class on Tuesday 12/11/2018. The paper is to be turned in as a hard copy no later than the mentioned date. The length of the paper can be up to three (Times New Roman font, size 12, number your pages, and double spaced) pages. Graphs, tables, and references are beyond these three pages.

Youshouldfindanewspaperarticlethatdealswithatopiccoveredinthisclass. Inorder to get an A or B on the paper, you must use economic analysis to explain the issue in the article. Papers that do not include any economic analysis will receive a grade of C, at best. Poorly written papers without economic analysis will receive a grade of F.

Note that **there will be no extra credit assignments available in this class**, with no exceptions.



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| page2image7087408page2image5782144**Requirements** page2image5781104page2image5781520 | page2image7087744**Percentage** page2image3793568 |
| **Attendance & Participation** page2image5792960page2image5793376 | **5%** page2image5794000 |
| **Homework Assignments**  | **10%**  |
| page2image5794832page2image5795248**Term Paper** page2image5795872page2image5796288 | page2image5796704**10%** page2image5797328 |
| **Midterm Exam**  | **30%**  |
| page2image5798160page2image5798576**Final Exam** page2image7091440page2image5799824 | page2image3751968**45%** page2image7137808 |

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The overall course grade will be based on the following scale:

93% - 100% A 90% - 92% A- 87% - 89% B+ 83% - 86% B 80% - 82% B-

**Attendance Policy**

77% - 79% C+ 70% - 76% C 66% - 69% C- 60% - 65% D Below 60% F



You are expected to arrive and be seated at least three minutes before class begins. Students are expected to review prerequisite material as needed and to do the assignments and read the textbook prior to the session for which they are scheduled.

**Student Conduct In-Class Policy:** Proper classroom behavior, appropriate university- level work, is assumed. When student’s classroom behavior becomes disruptive, then his (her) final grade letter will be reduced by one letter; for example, from a B+ to a B, or C- to a D. Examples of disruptive behavior include, but are not limited to: frequently showing up late to class, leaving early without prior approval, walking out in the middle of a lecture without prior approval, or chatting in the middle of a lecture, and using cell- phone (calling/texting). You may use your computer to take notes. If your computer becomes a distraction, I reserve the right to prohibit its use in the class.

**Academic Dishonesty**: academic integrity and quality education is the responsibility of each student within CSUN. Cheating, fabrication, facilitating the academic dishonesty, and plagiarism are prohibited. Cheating or plagiarism in connection with an academic program at CSUN may result in an automatic failing grade and possible expulsion from the Program. For more information please go to: http://www.csun.edu/catalog/policies/academic-dishonesty/

**Drop Policy**

According to University policy, non-attendance does not constitute withdrawal; to withdraw from this class you must file a drop form with the University. If you fail to attend this class, and you do not formally drop the class, a "WU" (unauthorized withdrawal), the equivalent of a failing grade, will be recorded.

In this class, the university drop policy will be strictly enforced. During the first three weeks of instruction, students may withdraw online. Once the third week has passed, drops are normally not permitted. Exceptions are granted or denied by the Office of Undergraduate Studies if there is a "serious and compelling reason" and "there is no viable alternative" (a viable alternative includes taking a failing grade and repeating the course). Changes in work schedule, etc., will not be considered a sufficient reason. "Complete Medical Withdrawals" (all classes are dropped due to medical problems— yours or those of someone you care for) are processed by the Health Center.



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**Student with Disabilities**

If you are in need of an accommodation for a disability in order to participate in this class, please let me know and contact the Disability Resources and Educational Services at Bayramian Hall 110. Phone: (818) 677-2684.

**Tentative Course Outline**

The course outline is provided as a general guide to how the course will be organized and how to prepare for class. As we continue in the semester it may be adjusted to accommodate any changes. A new outline will be posted should any major change be envisioned.



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| page4image7148336**Week** page4image3770480 | page4image3771312**Date** page4image3771936 | **Topics & Chapters (6th Edition)**  | page4image3772560page4image7140944**(5th edition)** page4image3773808page4image3774224 |
| **1**  | **Aug 28- 30**  | SyllabusCh1: Introduction (p.1-10)  | (p.1-10)  |
| page4image3775472**2**  | page4image3776720**Sep 4-6**  | Ch2: Economists’ View of Behavior (p.14-20 and 32-38)  | page4image3777344page4image3777760(p.14-20 and 32-38)  |
| page4image3778384**3**  | page4image3779632**Sep 11- 13**  | Ch3: Exchange and Markets (p.66-80 and 90-119)  | page4image3781088page4image3780464(p.60-78 and 81-97)  |
| page4image3780880**4** page4image3781920 | page4image3782752**Sep 18- 20** page4image3783376 | Ch4: Demand (p.120-141)  | page4image3784000page4image3784416(p.106-127) page4image3785040page4image3785456 |
| **5**  | **Sep 25- 27**  | Ch5: Production and Cost (p.156-184)  | (p.142-171)  |
| page4image3786704**6** page4image3787744 | page4image3788576**Oct 2-4** page4image3789200 | Ch6: Market Structure (p.193-217)  | page4image3789824page4image3790240(p.178-200) page4image3790864page4image3791280 |
| **7**  | **Oct 9-11**  | Ch8: Economics of Strategy: Creating and Capturing Value (p.257-290)  | (p.240-275)  |
| page4image3792112**8**  | page4image3793360**Oct 16- 18**  | **Midterm Review** **Oct 11 (First Midterm)**  | page4image3743856page4image3793776 |
| page4image3794400**9**  | page4image3795648**Oct 23- 25**  | Ch9: Economics of Strategy: Game Theory (p. 296-318)  | page4image3796272page4image3796688(p.281-309)  |
| page4image3796896**10** page4image3797936 | page4image3798768**Oct 30 Nov 1** page4image3799392 | Chapter 11 Organizational Architecture (p355- 373)  | page4image3800016page4image3800432page4image5767168page4image5767584 |
| **11** page4image5768208 | **Nov 6-8** page4image5769248 | Chapter 12 Decision Rights: The Level of Empowerment (p376 – 403)  | page4image5770080page4image5770496 |
| **12** page4image5771120 | **Nov 13- 15** page4image5772160 | Ch14: Attracting and Retaining Qualified Employees (p.438- 463)  | (p.420-448) page4image5772992page4image5773408 |
| **13**  | **Nov 20- 22**  | Ch14 (continued) **Nov 22 Thanksgiving Recess Campus Closed**  | (p.452-576)  |
| page4image5817088**14**  | page4image5820000**Nov 27- 29**  | Ch15: Incentive Compensation (p.469-492)  | page4image5820624page4image5821040(p.520-546)  |
| page4image5821664**15** page4image5822704 | page4image5823536**Dec 4-6** page4image5824160 | Ch17: Divisional Performance Evaluation (p.537-564)  | page4image5824784page4image5825200(p.600-628) page4image5825824page4image5826240 |
| **16** page4image5826864 | **Dec 11** page4image5827904 | **Final Exam Review**  | page4image5828736page4image5829152 |
| **17** page4image5107296 | **Dec 18** page4image5831024 | **Dec 18 (Final Exam Time: 8:00AM - 10:00AM, Location: Bookstein Hall 1204)**  | page4image5831856page4image7082032 |

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