



Course Descriptor ECON510 - MANAGERIAL ECONOMICS

Proposed Academic Year	2021-2022	Last Reviewed Academic Year	2020-2021
Course Code	ECON510	Course Title	Managerial Economics
Credit hours	3	Level of study	Postgraduate
College / Centre	College of Business Administration	Department	MNGT-MBA
Co-requisites	None	Pre-requisites	None

1. COURSE OUTLINE

This course provides students with skills to increase company's profitability by applying economic analysis to a wide array of business problems by using problem-solving approach. It encourages focusing on the application of economic tools rather than allowing settling for a purely theoretical understanding. Analytical framework will rest upon two building blocks. The first is that human behavior is aptly characterized by the Rational Actor Paradigm. This fundamental assumption of economic analysis states that people behave rationally, optimally and self-interestedly. Secondly, the art of business is moving assets from lower valued uses to higher valued uses.

2. AIMS

The aim of the course is to provide necessary skill set for:

- Using the rational-actor paradigm to predict firm and individual behavior.
- Using marginal analysis to make extent decisions in uncertain environment.
- Making investment decisions and long-term strategies that increase firm value.
- Setting optimal prices and price discriminate.
- Predicting industry-level changes using demand/supply analysis.
- Making decisions in uncertain environments.
- Solving the problems caused by moral hazard and adverse selection.
- Managing relationships between upstream suppliers or downstream retailers.

3. LEARNING OUTCOMES, TEACHING, LEARNING and ASSESSMENT METHODS

Learning Outcomes (Definitive)	Teaching and Learning methods (Indicative)	Assessment (Indicative)
Upon successful completion of this course, students will be able to:		
1. Critically determine firm and individual behavior using rational actor paradigm	Lectures and seminars, Group work, Presentations	Class Presentation, Written Examination, Case Study, Assignments
2. Understand and critically interpret the industry structure and predict changes using supply and demand analysis	Lectures and seminars, Group work, Presentations	Class Presentation, Written Examination, Case Study, Assignments
3. Critically suggest short and long-term decisions in uncertain environments.	Lectures and seminars, Group work, Presentations	Class Presentation, Written Examination, Case Study, Assignments



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4. Critically analyze the problem of moral hazard and devise strategies for making employees work to further firms' interest.	Lectures and seminars, Group work, Presentations	Class Presentation, Written Examination, Case Study, Assignments

4. ASSESSMENT WEIGHTING

Assessment	Percentage of final mark (%)
Midterm Examination	20
Case/Assignment	45
Final Exam	35
TOTAL	100%

5. ACHIEVING A PASS

Students will achieve **03** credit hours for this course by passing **ALL** of the course assessments and achieving a **minimum overall score of 50 %**

6. COURSE CONTENT (Indicative)

WEEK	LECTURE TOPIC	TIME (HOURS)
1	The One Lessor of Business.	3
2	Benefits, Costs, and Decisions.	3
3	Simple Pricing.	3
4	Economies of Scale and Scope-I	3
5	Economies of Scale and Scope-II Mid Term Exam	3
6	Understanding Markets and Industry Changes.	3
7	Market Structure and Long-Run Equilibrium	3
8	More Realistic and Complex Pricing	3
9	Strategic Games-I	3
10	Strategic Games-II Case/Assignment	3
11	Bargaining	3
12	Making Decisions with Uncertainty	3
13	The Problem of Moral Hazard.	3



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14	Getting Employees to Work in the Firm's Best Interest	3
15	Getting Divisions to Work in the Firm's Best Interest	3
16	Final Exam	
	TOTAL HOURS	45
1 - 16	Plus RECOMMENDED INDEPENDENT STUDY HOURS	45
	TOTAL COURSE HOURS	90

7. RECOMMENDED READING

Core text/s:

McCann, Brian and Froeb, Luke M (2015). Managerial Economics, 4th Edition. CENGAGE Learning Custom Publishing

Secondary/Additional Tests:

Hirschey, M. (2016). Managerial economics. Cengage Learning.

Png, I. (2013). Managerial economics. Routledge.

Library + online resources:

ASU library

ASU online resources (ProQuest and ebrary)

Sultan Qaboos University Library (by agreement)