MBAD 6112
The Economics of Business Decision Making
Spring 2012

Instructor: Ted Amato
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Office Hours: **Main Campus:** T and R, 9:00-11:00
                   Uptown Center: T 4:30-5:30 immediately following MBA class

Required Text: Hirschey, Mark, Managerial Economics, 12th Edition, Thomson/Southwestern 2009,
                   ISBN=978-0-324-58886-6.

Course Description: The Economics of Business Decisions: Prerequisites: ECON 3200 and OPER 3200 or
                   equivalents. Economic concepts in the decision making process. Topics include scarcity,
                   marginal analysis and tools of optimization; demand and supply analysis and market
                   structure; economic efficiency; regression analysis; risk analysis and game theory and
                   international economic issues.

Course Objectives: The objective of this course is to master basic microeconomic and econometric concepts
                   and apply these concepts to business decision problems.

   *The Belk College of Business strives to create an inclusive academic climate in which the dignity of all
   individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not
   limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation,
   and socio-economic status.*

End of Chapter Problems: I will recommend problems in the back of each text chapter, although I will not assign
these as formal homework. I will be happy to work through problems from the text at the beginning of each class
period at student request. **(For previous editions of the book the publisher made available a study guide
including completed problems. I previously required the study guide as part of the course package.   The
publisher elected to not include the study guide in the package for this edition. Students may find it beneficial
to purchase a copy of the study guide from a previous edition via the internet).**

Attendance: A sign up sheet will circulate each week to record attendance. Signing the sheet for another student is
a violation of the academic integrity code and will be prosecuted to the fullest extent permitted under the UNC-
Charlotte academic code. While there are no formal attendance standards for the course, attendance will be
considered in student assessments, particularly in marginal grade cases. I fully understand that working
professionals may be required to miss a class or two due to work obligations. If your work schedule is likely to
result in more than an absence or two, you may wish to consider taking this course another semester.

Grading Basis and Examination:

Grades will be based upon two tests, group computer project and a cumulative final examination. The tests, group
project and final exam will be weighted as follows:

Test 1	30%
Test 2	30%
Group Project	10%
Final Examination	30%

Letter grades are assigned as follows:

A	90-100
B	80- 89
C	70- 79
U	Below 70

Grades are rounded to the nearest whole percentage.

Group Computer Project:

Students will work in teams of three or four students to complete a group regression project.   You will self select team members during the first class. Topics are due in writing (hard copy) January 24. The computer project report is due **in hard copy format** at the beginning of class April 17. **Projects will not be accepted late**. The computer project assignment is to develop and test a linear regression model using actual real world data covering a topic from economics or business that is of interest to the student. Students are to use Microsoft Excel to conduct the regression analysis. Data must allow at least thirty degrees of freedom. (This requirement may be waived by the instructor in special cases). The written report is limited to five pages (excluding tables) plus the printout of the computer results.   Each individual student must also turn in a one page analysis of the project answering specific questions regarding the development of the model and interpretation of results. The individual assignment will be available on the moodle site for this course.

Graduate students in business should be capable of and are expected to conceive their own topic. While I will provide some guidance, a major purpose of the project is for students to consider possible applications of the regression model and to conceive and specify a model.   If I simply assigned projects, one of the most important benefits of the exercise would be lost. This is a course in economics for managers. To that end, projects that attempt to predict the winning percentage for a sports team are not germane to the course (unless you are majoring in a sports related field). To inhibit free-riding, an opportunity will be given for assessment of team member performance at the completion of the group project.

Missed Tests:

Students who know in advance that they must miss a test for work related reasons may take a test early at a mutually agreed upon time. It is expected, however, that students arrange their work schedule so as to minimize the need for early testing. Makeup tests are administered after the original test date and only for extreme situations such as illness, death in the family etc. Determination of extreme circumstance is at the discretion of the instructor.

Academic Integrity:
Students have the responsibility to know and observe the requirements of The UNC Charlotte Code of Student Academic Integrity. This code forbids cheating, fabrication or falsification of information, multiple submission of academic work, plagiarism, abuse of academic materials, and complicity in academic dishonesty. Any special requirements or permission regarding academic integrity in this course will be stated by the instructor and are binding on the students. Academic evaluations in this course include a judgment that the student's work is free from academic dishonesty of any type; and grades in this course therefore should be and will be adversely affected by academic dishonesty. Students who violate the

code can be expelled from UNC Charlotte. The normal penalty for a first offense is zero credit on the work involving dishonesty and further substantial reduction of the course grade. In almost all cases, the course grade is reduced to F. Copies of the code can be obtained from the Dean of Students Office. Standards of academic integrity will be enforced in this course. Students are expected to report cases of academic dishonesty to the course instructor.

Course Outline

Jan 10	Introduction to Managerial Economics, Chapter 1 Calculas Techniques, Chapter 2, Lecture Notes
Jan 17	Demand Analysis, Chapter 4 Lecture Notes **(Note: Students with weak backgrounds in economics may choose to review chapter 3).**
Jan 24	*Demand Estimation, Chapter 5 Lecture Notes*
Jan 31	Conclude Demand Estimation, Chapter 5
Feb 7	Demand Forecasting, Chapter 6
Feb 14	**Test 1**
Feb 21	Production Analysis, Chapter 7
Feb 28	Cost Analysis, Chapter 8
Mar 6	**Spring Break No Class**
Mar 13	Competition Chapter 10, Begin Monopoly Chapter 12
Mar 20	Monopoly/Monopsony, Chapter 12 (Delete Monopsony pp. 475-479)
Mar 27	**Test 2**
Apr 3	Imperfect Competition, Chapter 13, Lecture Notes
Apr 10	Conclude Imperfect Competition, start Game Theory, Chapter 14
Apr 17	Conclude Game Theory **(Computer Project Due)**
Apr 24	Pricing Practices, Chapter 15
May 1	Conclude pricing practices
May 8	**Final Examination, 5:30-8:30 pm (Note: exam times for the Center City Building differ from published times for the main campus)**

Note: Items denoted with Lecture Notes indicate topics where the lecture notes are particularly important. The syllabus may be amended to address time constraints.