Siena College

Economics Department

Managerial Economics - ECON 550 - W

Fall 2021

Instructional Method: Hybrid (in person Wednesdays 6-7:20pm; online in Canvas)

Time and Venue: Wednesdays 6pm – 7:20pm in Siena Hall 117

Instructor: Dr. Shahrzad Ghourchian

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Phone: (518)783-2502

Office: Kiernan Hall 102A

Office Hours: MWF 10am-12pm

(other times by appointment)

**Course description:** Managerial Economics is the application of economic theory to decision-making in various organizational settings such as a firm or a government agency. The emphasis in this course will be on the microeconomic and macroeconomic influences which affect decision-making. We use both theoretical and empirical approaches to understand the real-world problems and you will learn a basic understanding of economic theory and the tools of analysis commonly used by economists, such as economic modeling and econometrics, and how to apply them to real-world policy problems.

**Prerequisites**: Admission into the MBA program. Students must be capable of presenting results of analysis in oral, written, and tabular format, and demonstrating communication and analytic skills appropriate for graduate students. Students must be able to utilize computer software to prepare professional looking documents, spreadsheets and presentations.

**Required materials:** Managerial Economics in a Global Economy 9th ed. (or any other edition you can find), Dominick Salvatore, Oxford University Press. (ISBN: 9780190848255) Available at Siena Bookstore. You may also purchase cheaper and/or used copies as well as eBook on the [internet](https://www.chegg.com/textbooks/managerial-economics-in-a-global-economy-7th-edition-9780199811786-0199811784?preSelection=Buy&c_id=sem&utm_source=google&utm_medium=cpc&utm_campaign=tb--long_tail-googleshopping_group3&utm_content=PRODUCT_GROUP&gclid=CjwKCAjw_o-HBhAsEiwANqYhpz0NuZYpSqVLqvVcpLn20VbY_DZi5h2SVLNQULf9XlbudnSdCPpJqRoCM_cQAvD_BwE&gclsrc=aw.ds). **NOTE**: A computer is required for this course with the ability to access the internet with a fully functional browser (i.e. Chrome, Firefox, Edge, etc.). This computer may be PC, Mac, or Chromebook as long as it can handle access to Canvas and can stream video, open documents, create documents, etc. Mobile devices are not considered acceptable devices for course access. A reliable internet connection is also required. It is not recommended that students rely on cell service for access.)

**Required** **Software**: Microsoft Excel

**Learning objectives:** Students will demonstrate an understanding of the basic concepts of economics with the tools to analyze and make optimal business decisions. At the end of this course, the student should demonstrate the ability to apply the application of economic principles to the behavior of consumer and firms. More specifically, students will learn:

* Demand theory: the forces that determine the demand for the firm’s product, how a firm can estimate the demand for its product, and how a firm can forecast demand.
* Production theory: how firms combine inputs to produce goods and services and how to derive short-run and long-run cost functions and curves of the firm.
* Bringing together demand analysis and production and cost analysis in order to analyze how price and output are determined under various forms of market organization: perfect competition, monopoly, and monopolistic competition.
* Different price practices under monopoly and monopolistic competition.

**COURSE UNITS**: This course is divided into three units (parts) each covering couple of chapters of the text. There will be assignments, quizzes, and discussions on each unit. There will also be two take home midterm exams and a take home final exam at the end of the semester. Deadlines are marked on course calendar. Students are required to observe the deadlines as missing a deadline equals missing the grade.

**LATE ASSIGNMENTS**: No late assignments are accepted.

* Students may request a deadline EXTENSION for an assignment for valid reasons (to be determined by professor), such as emergency situations and severe illnesses. However, this Extension request must be done at least 24 hours in advance of the deadline. If the professor grants the extension, s/he will also give a specific timeline for when the assignment must be due.

**COMMUNICATION:** Students may communicate with the instructor via email as well as via **Zoom** during the scheduled office hours. I will return emails during the week within 24 hours, but I will not respond to emails over the weekend. You can expect that I will post grades to shorter assignments within 48 hours and to longer assignments within a week.

* Zoom privacy policy: <https://zoom.us/privacy/>

**ATHLETES**: If you are an athlete, you must present a letter from the Athletics department proving your athlete status. If your absence from a computer during athletic events prevents you from meeting a deadline, you must request an extension of the deadline in ahead of time.

**Grading Procedures and Scale:** Attendance Policy: Regular attendance is mandatory for the course. You can miss at most two classes during the semester. If you miss more than two classes for medical reasons, then you need to give me a medical certificate. All examinations are mandatory. Make-up examinations will be granted when students have: illness; family emergencies; or three finals in one day. In case you have three finals in one day, you need to inform me in advance.

**Midterm Exams (2):** 50% (25% each) of course grade

**Final Exam:** 25% of course grade

**Homework assignments and in-class exercise/quizzes:** 25% of course grade

**Grading Scale:**

94% and higher = A 90-93.9 = A- 87-89.9 = B+

84-86.9 = B 80-83.9 = B- 77-79.9 = C+

74-76.9=C 70-73.9=C- 60-69.9 = D

less than 60% = F

**Course outline:**

Unit One: Demand Side

Week 1-4: Chapter 3 – Demand Theory

 Chapter 4 – Demand Estimation

 Chapter 5 – Demand Forecasting

Week 5: Preparation for First midterm (Oct. 13)

Unit Two: Production Side

Week 6-8: Chapter 6 – Production Theory and Estimation

 Chapter 7 – Cost Theory and Estimation

Week 9: Preparation for Second Midterm (Nov. 10)

Unit Three: Market Structure

Week 10-12: Chapter 8 – Market Structure

 Chapter 11 – Pricing Practices

Week 13: Final exam

**Educational Accessibility & Accommodations:** Siena is very supportive of students facing additional challenges, temporary or otherwise. The following services are provided, when appropriate, to students with disabilities:

* Faculty notification
* Alternative testing arrangements, including extended time and distraction-reduced location for tests
* Use of a laptop/word processing program in the classroom or for tests
* Note-taking services
* Sign language interpreter
* E-text, audio, braille, or large print text
* Other accommodations tailored to your specific needs (including temporary impairments or medically-related accommodations for housing, meals, parking, etc.)

If you have a documented disability needing academic adjustments or accommodations, please speak with me during the first two weeks of class, and our discussion will remain confidential unless you request otherwise. All professors are more than happy to offer adjustments and/or accommodations. If you have not already registered your documentation, you should contact Lindsay Green, Director of Office of Accessibility:

Lindsay Green, Director of Office of Accessibility

 Email: lgreen@siena.edu

 Phone: 518-783-4239

 Office: Foy Hall, Room 109

 Website: [Siena College, Office of Accessibility](https://www.siena.edu/offices/accessibility/)

**Academic integrity:** The concept of academic integrity lies at the very heart of any college. This is particularly true of Siena with its strong Franciscan tradition and its dedication to fostering sound moral growth. Students who commit such acts expose themselves to punishments as severe as dishonorable dismissal from the College. Academic dishonesty can take different forms, including, but not limited to: cheating (dishonesty in a test situation), plagiarism (dishonesty in the presentation of materials in a paper or report), and computer abuse. If a student is unsure what constitutes academic dishonesty, it is the student's responsibility to raise the question with his or her instructor. College, and my expectations are at https://www.siena.edu/offices/academics/academic-policies-and-procedures/academic-integrity-policy/. Read and familiarize yourself with these. I will require that all submitted work include the following signed statement:

“I have not received or used unauthorized aid [on this assignment/exam/paper/etc.]” \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (signature)

**Diversity:** In our Franciscan community, diversity is an invitation to celebrate the uniqueness of each individual, as well as the cultural differences that enrich us all. In this course, I will do my best to ensure that students from all backgrounds and perspectives will be served equitably. The diversity that students bring to this class will be viewed as a resource, strength and benefit. It is my intent to present materials and activities that are respectful and inclusive of the many identities of students in terms of gender, sexual orientation, disability, age, socioeconomic status, ethnicity, race, culture, perspective, and other background characteristics. Your suggestions about how to improve the value of diversity and inclusiveness in this course are encouraged and appreciated.

**Pandemic Planning:** In the event of a pandemic resulting in an extended absence from campus this course will continue through to completion, providing that communications can be maintained. Specifically,

a) You are instructed to bring all texts and a copy of the syllabus/course schedule home with you in the event of a College Closure. The Academic Calendar will be adjusted upon Reopening; so be prepared for the possibility of a short mini semester; rescheduled class / exam period; and /or rescheduling of the semester, depending on the length of the Closure.

b) If your situation permits, you should continue with readings and assignments to the best of your ability, per the course schedule.

c) You will be given instructions regarding how to deal with paper assignments requiring library or other required research by me, as needed.

d) Online office hours will be used by me in order to maintain contact with my students. You will be able to “check-in” with questions that you have. If you do not have internet access available, I will also provide my home phone number and home address, as needed. Remember, internet, mail delivery, and telephone services may also be impacted by a Pandemic or other emergency event.

e) Finally, stay connected with information regarding the status of the College’s status and Reopening schedule by monitoring the Siena website.

Other Policies: Exams will require calculator. Scientific and/or financial calculators are both acceptable.

**Miscellaneous:** The relevant College policies and other information related to academics can be found in the Academic Policy Manual, available at: <http://www.siena.edu/academicpolicy>.

**Siena Mission:** Siena College is a learning community advancing the ideals of a liberal arts education, rooted in its identity as a Franciscan and Catholic institution. As a learning community, Siena is committed to a student-centered education emphasizing dynamic faculty-student interaction. Through a blending of liberal arts and professional education, Siena College provides experiences and courses of study instilling the values and knowledge to lead a compassionate, reflective, and productive life of service and leadership. As a liberal arts college, Siena fosters the rigorous intellectual development of its students through a healthy exchange of ideas both inside and outside the classroom. It provides opportunities to develop critical and creative thinking; to make reasoned and informed judgments; to appreciate cultural diversity; to deepen aesthetic sensibility and to enhance written and oral communication skills. It develops in each individual an appreciation for the richness of exploring knowledge from a variety of perspectives and disciplines. As a Franciscan community, Siena strives to embody the vision and values of St. Francis of Assisi: faith in a personal and provident God, reverence for all creation, affirmation of the unique worth of each person, delight in diversity, appreciation for beauty, service with the poor and marginalized, a community where members work together in friendship and respect, and commitment to building a world that is more just, peaceable, and humane. As a Catholic college, Siena seeks to advance not only the intellectual growth of its students, but their spiritual, religious and ethical formation as well. To this end, Siena is composed of and in dialogue with people from different religious and cultural traditions; fosters a critical appreciation of the Catholic intellectual heritage in conversation with contemporary experience; provides ample opportunities for worship and service; explores the moral dimensions of decision-making in business and the professions; and affirms the dignity of the individual while pursuing the common good.

**Siena Learning Goals:** As a learning community and liberal arts college grounded in its Franciscan and Catholic heritage, Siena affirms the following learning goals:

1. Informed reasoning (Reason) Students will think critically and creatively to make reasoned and informed judgments. Through engagement with contemporary and enduring questions of human concern, students will solve problems in ways that reflect the integration of knowledge across general and specialized studies, and they will demonstrate competence in information literacy and independent research.
2. Effective communication (Rhetoric) Students will read a variety of texts with comprehension and critical involvement, write effectively for a variety of purposes and audiences, speak knowledgeably, and listen with discernment and empathy.
3. Meaningful reflection (Reflection) Students will comprehend that learning is a life-long process and that personal growth, marked by concern and care for others, is enhanced by intellectual and spiritual exploration.
4. Regard for human solidarity and diversity (Regard) Students will affirm the unity of the human family, uphold the dignity of individuals, and delight in diversity. They will demonstrate intercultural knowledge and respect.
5. Reverence for creation (Reverence) Students will demonstrate a reverence for creation. They will develop a worldview that recognizes the benefits of sustaining our natural and social worlds.
6. Moral responsibility (Responsibility) Students will commit to building a world that is more just, peaceable, and humane. They will lead through service.

**School of Business Mission:** As the School of Business in a Franciscan, Catholic, and liberal arts college, we place paramount importance on teaching. We prepare our students with the analytic, communication, leadership, teamwork and learning skills necessary to help their organizations solve complex problems while thoughtfully considering the impact on all stakeholders and the natural world.

**School of Business Learning Goals:** Each School of Business graduate will attain the following outcomes:

1. Problem Solving: Think critically and creatively to solve complex organizational problems using appropriate and analytic and quantitative techniques and integrating knowledge and skills from various disciplines.
2. Communication: Communicate orally and in writing using language appropriate to the audience.
3. Teamwork and Leadership: Demonstrate respect, responsibility, and a focus on serving others as a leader and team member.
4. Moral Consideration: Work toward a just, peaceable, and humane solution with thoughtful consideration of the impact on all stakeholders, the external environment, and the natural world.
5. Life-Long learning: Pursue opportunities that provide growth as an individual and as an organizational member.
6. Business Specialization: Develop competency in a chosen business discipline.

**Department of Economics Mission:** The mission of the Economics Department at Siena College is to educate undergraduate students in a learning environment that emphasizes both mainstream and heterodox approaches to economics, as well as principles of economic justice related to Siena's Franciscan tradition. The Economics Department offers a curriculum that is taught critically and comparatively to promote inquiry and intellectual growth for students, department faculty, and the campus community. The B.A. offers students the opportunity to focus on the relationship between economics and society, while the B.S. requires training in functional areas of business.

**Department of Economics Learning Goals:** The learning goals of the Economics Department are:

1. Concept mastery. Show mastery in central concepts of mainstream and heterodox approaches to economics.
2. Inquiry. Provide critical and comparative inquiry through engagement with texts, models, and data. (Includes critical thinking, problem solving, and data analysis.)
3. Policy analysis. Analyze policy with respect to mainstream and heterodox approaches to economics, and principles of economic justice related to Siena’s Franciscan tradition.
4. Communication. Demonstrate intellectual growth by communicating inquiry-based findings.