

**Instructor:** Miguel Delgado Helleseter

**Office:** Sage Hall, Room 2016

**Office hours:** 6-8 PM, Thursdays, and by appointment.

**E-mail:** miguel.delgadohelleseter@csuci.edu

**Textbook:** Managerial Economics and Business Strategy, 8<sup>th</sup> edition, by Michael R. Baye and Jeffrey T. Prince

**Course description:** This course is managerial economics. Economics offers a number of tools for effective decision making, and this course will cover the use of these tools as they apply to managerial decision making (decision making by business managers). A core principle and take-away from this class is that we all respond to incentives. We respond to incentives as individuals facing everyday choices just as much as business managers respond to incentives when facing decisions that may yield different outcomes for their companies. Economic thinking relies heavily on agents (individuals, firms) being incentive-driven and uses marginal analysis extensively to determine optimal solutions to problems. This course will focus on a solid understanding of how this applies to solving problems you will encounter as a manager in your professional life. While the course will build a lot of economic intuition, it will also emphasize the need for the ability of working with numbers and performing calculations.

**Program learning goals:**

1. Critical thinking.
2. Oral communication.
3. Written communication.
4. Collaboration.
5. Conduct (ethics).
6. Competency in discipline

**Course learning objectives:** After completion, students should have developed skills primarily in microeconomic analysis. These are skills required for thinking about and solving problems common to business managers. Specifically, at completion, students should be able to:

- Understand the role that incentives play in decision making. 1, 6
- Identify business and consumer objectives. 1, 6
- Apply marginal analysis to determine solutions to optimization problems. 1,6
- Apply sensitivity analyses in business decisions by using concept of elasticity. 1,6

- Use econometric tools to analyze data, make forecasts, and present results. 1, 3, 6
- Effectively communicate ideas and results to colleagues and clients. 2, 3, 4
- Identify how firm and individual decisions may differ under different market structures. 1,6
- Identify causes of market failure and perform comparative statics to determine the impact of market failure on efficiency. 1, 6
- Apply the key tools described above to decision making facing managerial problems as well as when facing everyday choices. 1, 6

**Important dates:**

Instruction begins .....	August 27 <sup>th</sup>
First midterm exam .....	October 1 <sup>st</sup>
Second midterm exam .....	November 12 <sup>th</sup>
Final exam .....	December 10 <sup>th</sup>

**Grading:** There will be regular problem sets (20%), two midterm exams (40%) and one final exam (40%). While there will not be a participation grade, I believe that attending lectures and actively participating with both questions and contributions to discussions is beneficial for both your own understanding of the material and that of your peers. I therefore strongly encourage not only attending lectures, but also showing up prepared and ready to discuss the material. Regular class participation can help your grade if you are on the borderline between two grades.

All homework must be turned in on time. Homework turned in late will not be graded. There will be no make-up exams. If you miss a midterm, the weight of that exam will be put onto the final exam. Please note this is a risky proposition since the final will become a very large portion of your grade, not to mention that truly, the best way to prepare for the final exam, is to do all required work regularly, including taking the midterm exams.

Letter grades for this class will be determined based on the total points in all assignments/exams as follows:

- A- to A+** 90% to 100%
- B- to B+** 80% to 89.99%
- C- to C+** 70% to 79.99%
- D- to D+** 60% to 69.99%
- F** 0% to 59.99%

The whole class may be curved, at my discretion, once final grades have been determined. This will be done in order to adjust for difficulty of the class.

## **Academic honesty:**

1. *Academic dishonesty includes such things as cheating, inventing false information or citations, plagiarism and helping someone else commit an act of academic dishonesty. It usually involves an attempt by a student to show possession of a level of knowledge or skill that he/she does not possess.*
2. *Course instructors have the initial responsibility for detecting and dealing with academic dishonesty. Instructors who believe that an act of academic dishonesty has occurred are obligated to discuss the matter with the student(s) involved. Instructors should possess reasonable evidence of academic dishonesty. However, if circumstances prevent consultation with student(s), instructors may take whatever action (subject to student appeal) they deem appropriate.*
3. *Instructors who are convinced by the evidence that a student is guilty of academic dishonesty shall assign an appropriate academic penalty. If the instructors believe that the academic dishonesty reflects on the student's academic performance or the academic integrity in a course, the student's grade should be adversely affected. Suggested guidelines for appropriate actions are: an oral reprimand in cases where there is reasonable doubt that the student knew his/her action constituted academic dishonesty; a failing grade on the particular paper, project or examination where the act of dishonesty was unpremeditated, or where there were significant mitigating circumstances; a failing grade in the course where the dishonesty was premeditated or planned. The instructors will file incident reports with the Vice Presidents for Academic Affairs and for Student Affairs or their designees. These reports shall include a description of the alleged incident of academic dishonesty, any relevant documentation, and any recommendations for action that he/she deems appropriate.*
4. *The Vice President for Student Affairs shall maintain an Academic Dishonesty File of all cases of academic dishonesty with the appropriate documentation.*
5. *Student may appeal any actions taken on charges of academic dishonesty to the "Academic Appeals Board."*
6. *The Academic Appeals Board shall consist of faculty and at least one student.*
7. *Individuals may not participate as members of the Academic Appeals Board if they are participants in an appeal.*
8. *The decision of the Academic Appeals Board will be forwarded to the President of CSU Channel Islands, whose decision is final.*

**Disability accommodations:** *Cal State Channel Islands is committed to equal educational opportunities for qualified students with disabilities in compliance with Section 504 of the Federal Rehabilitation Act of 1973 and the Americans with Disabilities Act (ADA) of 1990. The mission of Disability Accommodation Services is to assist students with disabilities to realize their academic and personal potential. Students with physical, learning, or other disabilities are encouraged to contact the Disability Accommodation Services office at (805) 437-8510 for personal assistance and accommodations.*

**Disclaimer:** This syllabus is subject to changes. Any changes will be made in lecture and/or Blackboard with at least one week of notice, except under extraordinary circumstances.