

**Objective:** This course will prepare practitioners to apply fundamental economic principles in making the myriad business decisions that managers face in the real world. Underpinning everything in this course is the idea that rational decision-makers think “at the margin” – that is, determining what is the very best decision to make at the present time. After completing this course, practitioners should have a better appreciation for the tradeoffs that business decision-makers face, which factors they should consider (and which they can safely ignore) in high-stakes decision-making, and how responses by counterparties to a unilateral decision (e.g., consumers, co-workers, firm divisions, or competitors) will affect the firm’s profitability.

Reading assignments from the *Managerial Economics* text provide the primary background for topics to be covered in class, but class sessions (and quizzes and the final exam) will also address material not explicitly covered in the text.

**Text:**

(1) *Managerial Economics: A Problem Solving Approach* by Froeb, McCann, Shor, and Ward, 4<sup>rd</sup> edition (ISBN-13: 978-1-305-25933-1)

**Grading:**

Course grading will be based on two 30-minute quizzes, a **120**-minute final exam, and weekly class participation. An additional opportunity to earn bonus credit will be afforded to those who wish to take it.

First Quiz (at beginning of Session 2)	20%
Second Quiz (at beginning of Session 3)	20%
Final Exam (after Session 4)	40%
Participation (after each session)	20%
Bonus Essay on Managerial Incentives	5%

Class participation will be self-reported at the end of each session, with each student documenting their contributions to and take away from the day’s discussions.

The final exam will be administered using a D2L based remote proctoring service. Students will have 120 minutes to complete the final. The final exam is scheduled to start between 6PM and 7:00PM EST on Tuesday, December 5, 2017.

Under extenuating circumstances, certain students may need to make up the final exam. Students wishing to do so must notify the instructor as soon as they are aware of an existing conflict to arrange for a make-up exam to be proctored in the Broad College of Business **Lansing** or **Troy** location.

There is no reason why any student, regardless of background, cannot achieve a high grade in Managerial Economics. To excel in this course, you must learn how to reason from assumptions to conclusions so that you can solve economic problems. For most people, the only way to acquire these reasoning skills is to do the readings before the class for which they are assigned, ask questions in class when there is something that you don't understand well, and complete the suggested problems between classes. Quizzes and exams are open-book and open notes, but please be warned: reasoning skills cannot be memorized or crammed for, nor developed under time pressure during quizzes or the final exam!

### **Class Meetings:**

**Detroit:** (Session 1) Oct 20, 6-10PM; (Session 2) Nov 3, 6-10PM; (Session 3) Nov 17, 6-10PM; (Session 4) Dec 1, 6-10PM

**Troy:** (Session 1) Oct 21, 8AM-12PM; (Session 2) Nov 4, 8AM-12PM; (Session 3) Nov 18, 8AM-12PM; (Session 4) Dec 2, 8AM-12PM

### **Office Hours:**

Recognizing that most students are not on-campus on a regular basis, I welcome questions by e-mail ([alyank@msu.edu](mailto:alyank@msu.edu)) and will make responding quickly a priority. When e-mailing, please identify the problem you're having and the steps you have already tried. If your group is having an online study session, feel free to invite me; I would be glad to drop in for a little while and help the group work together!

The course's teaching assistant, Mr. Priyankar Datta, will also be available for e-mail consultation ([dattapri@msu.edu](mailto:dattapri@msu.edu)) with exercises or occasional study-group drop-ins (particularly between sessions 3 and 4).

## **Class Preparation Assignments:**

Participants will get the most benefit from this course by reading assigned chapters in the Froeb *et al.* text prior to class. Once the essential material is mastered, we have identified (with \*) a few additional chapters that will be beneficial to many EMBA students, but these chapters are neither mandatory nor covered on quizzes and exams.

**Before Session (1):** Read Froeb, et al. ch. 2-4, 5\* (Thinking on the margin)

**Before Session (2):** Complete Sample First Quiz and review with Annotated Answer Key; Read Froeb, et al. ch. 6, 12, 7\* (Pricing, revenue, and profit)

**Before Session (3):** Complete Sample Second Quiz and review with Annotated Answer Key; Read Froeb, et al. ch. 13, 14 (Price discrimination)

**Before Session (4):** Froeb, et al. ch. 15, 17\* (Strategic decisions)

**Before Final Exam:** Complete Sample Final Exam and review with Annotated Answer Key.

**After Final Exam:** 20\*, 21\*, 22\* (Getting the most out of your talent, via online bonus module)

## **Statement on Academic Integrity**

It is assumed that all work done for credit will be the result of the individual's or authorized group's unaided effort. Anyone who either gives or receives unauthorized assistance in the preparation of work at home or during tests in class will be subject to disciplinary action under the provisions and policies set forth by Michigan State University. Article 2.3.3 of the Academic Freedom Report states that "the student shares with the faculty the responsibility for maintaining the integrity of scholarship, grades, and professional standards." In addition, the College of Business adheres to the policies on academic honesty as specified in General Student Regulations 1.0, Protection of Scholarship and Grades, and in the all-University Policy on Integrity of Scholarship and Grades, which are included in Spartan Life; Student Handbook and Resource Guide. Students who plagiarize or who give or receive unauthorized assistance may receive a zero (0.0) on the assignment or fail the course.<sup>1</sup>

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<sup>1</sup> For example, this paragraph was taken from a previous professor's syllabus, which in turn was taken from the MSU Office of the Ombudsman (<http://www.msu.edu/unit/ombud>). If I had submitted a paper including this paragraph without citation, I would be committing an Academic Integrity violation.

## **What counts as plagiarism?**

Plagiarism refers to the direct quotation of significant sections of text without appropriate attribution. Every quotation must have a citation, and no amount of text can be quoted without citation. Furthermore, when paraphrasing, borrowing or building upon the work of another author, citation is also required. There are many styles of citation (in the text, in footnotes, through hyperlinks, etc.) Note that it is NOT acceptable to simply include the quoted source in a list of general references. If you are quoting, you must indicate which specific sections of your text are taken from which specific sources.

Basically, your writing should be your own – every word of it – unless it appears in “quotation marks” with a specific citation to the original source. It is surprisingly easy to detect text that has been cut and pasted from a web site, so please do not be tempted to cut corners in this way.