

## ***Managerial Economics***

### **1. MODULE SUMMARY**

#### **Aims and Summary**

The aim of this course is to show the application of modern microeconomic theory from a managerial perspective in business. We start with the efficiency of competitive market and then discuss pricing with monopoly power. The next part deals with decision-making under uncertainty and the value of information.

#### **Module Size and credits**

<b>ECTS points</b>	5
<b>Total student study hours</b>	125
<b>Number of weeks</b>	12
<b>School responsible</b>	Lazarski University, Faculty of Economics and Management
<b>Academic Year</b>	2021/2022

#### **Entry Requirements (pre-requisites and co-requisites)**

Intermediate Microeconomics

#### **Excluded Combinations**

None

#### **Composition of module mark (including weighting of components)**

Final exam, 60%

Coursework, 40%, composed of a paper

#### **Pass requirements**

To pass the course a student must score at least 40% of the overall weighted average and not less than 35% for each assessment component (i.e. coursework and final exam). Reassessment: coursework component and/or examination as appropriate.

#### **Special Features**

None

### **Course stages for which this module is mandatory**

BA in Business Economics, year 3

### **Course stages for which this module is a core option**

None

## **2. TEACHING, LEARNING AND ASSESSMENT**

### **Intended Module Learning Outcomes**

Upon completion of this course, students will be able to:

1. Compare price and non-price strategies of firms in different markets.
2. Prepare and utilize basic tools of decision-making under uncertainty.
3. Assess the value of information in solving managerial problems.
4. Employ different types of managerial actions and strategies in solving managerial problems.
5. Evaluate the consequences of asymmetric information.

### **Indicative Content**

1. Market structure and market power from managerial perspective
2. Price discrimination from managerial perspective
3. Product differentiation from managerial perspective
4. General characteristic of decision-making process
5. Decision-making in uncertainty
6. Value of information
7. Optimal search
8. Bargaining and auctions
9. Asymmetric information
10. Contract theory (principal-agent model) and transaction cost economics

### **Teaching and Learning**

This module will be taught by means of lectures, seminars and self-directed study. Formative Assessment: Each in-class exam will be solved and discussed during workshops. Tutorial guidance will be provided for exam. Student activity and time spent on each activity comprises:

<b>Guided</b>	0 hours	(0%)
<b>Lecture</b>	30 hours	(24%)
<b>Self-guided</b>	80 hours	(64%)
<b>Seminar</b>	15 hours	(12%)
<b>Workshop</b>	0 hours	(0%)

**Total** 125 hours

**Method of Assessment (normally assessed as follows)**

The intended learning outcomes will be assessed as follows:

Final exam, 60%, will assess learning outcomes 1-5

Coursework, 40%, composed of a paper (2500 words) will assess learning outcomes 1-3 and 5 **Re-sit**

Students failing any component of assessment, at the first attempt, are entitled to one re-sit attempt. This will be by new examination and/or new coursework scheduled for the next assessment opportunity. For coursework, if more than one element existed in the first attempt, this may be combined into one assessment for re-sit.

**Date of last amendment**

30-01-2017

**3. MODULE RESOURCES**

**Essential Reading**

F. W. Samuelson, G. S. Marks, 2014, *Managerial Economics*, 8<sup>th</sup> ed. John Wiley and Sons

**Recommended Reading**

L. Cabral, 2017, *Introduction to Industrial Organization*, 2<sup>nd</sup> ed. Cambridge: The MIT Press

H. Varian, 2014, *Intermediate Microeconomics: a modern approach*, 9<sup>h</sup> ed. New York: W.W. Norton & Company.

R. Pindyck, Rubinfeld D., 2012, *Microeconomics*, 8<sup>th</sup> ed., Pearson

**Required Equipment**

None.

#### 4. MODULE ORGANISATION

**Module leader**

**Name** Dr.Jaroslaw Neneman

**E-mail** neneman@uni.lodz.pl

**Length and month of examination**

120 minutes in January

**Expected teaching timetable slots**

No timetable information available. Timetable information should be verified with the School responsible for the module

**Subject Quality and Approval information**

**Board of Study** Faculty Collaborative Provision Committee

**Subject Assessment Board** Faculty Council, Faculty of Economics and Management

**Shortened title**

**Date of approval by FCPC** 13 Feb 2017