MBA 769 - Applied Economic Analysis

Course Purpose, Learning Objectives, and Direction
In this course, we undertake an intensive application of principles of microeconomics to topics in business management and decision making. No previous knowledge of economics is presumed, but we will move rapidly through the tools of price theory and their application to business management and decision making.

Throughout the semester, students will work through a series of applications and at the end students should be able to analyze market conditions such as:
- Scarcity, choice
- Supply and demand
- Production
- Cost
- Competition
- Monopolies
- Present value
- Decision-making under risk

Excel is used to work through some applications of supply and demand, market simulations and pricing strategies.

Class Meetings
Class meetings consist primarily of lecture with some discussion, problem solving and group exercises. Students should read through the assigned reading material lightly before coming to class.

Attendance and Tardiness
Attendance and participation are not graded, but more than half of success is showing up. Failure to show up on a repeated basis will be grounds for dismissal from the class. Disruptive tardiness will also be grounds for dismissal from the class.

Homework
The course will have four sets of applied homework problems, which are to be submitted and completed by each group. Any homework problems that require the use of Excel also require the submission of documented Excel files.

Exams
The course has two exams: a midterm and a final. Study questions will be distributed prior to the exams. The questions appearing on each exam will be a subset or variation of the study questions distributed in advance of the exams. Students may study together, but they will write their exams independently of each other during the exam periods.
Grading
Grading will be on the basis of homework problems and two exams. The homework problems will account for 20 percent of the grade. Each of the exams will account for 40 percent of the grade.

<table>
<thead>
<tr>
<th>Grade</th>
<th>Minimum Score</th>
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<tbody>
<tr>
<td>A</td>
<td>≥93%</td>
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<tr>
<td>B+</td>
<td>87%</td>
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<tr>
<td>C+</td>
<td>77%</td>
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<tr>
<td>D+</td>
<td>67%</td>
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<tr>
<td>A-</td>
<td>90%</td>
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<tr>
<td>B</td>
<td>83%</td>
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<tr>
<td>C</td>
<td>73%</td>
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<tr>
<td>D</td>
<td>63%</td>
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<tr>
<td>B-</td>
<td>80%</td>
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<tr>
<td>C-</td>
<td>70%</td>
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<tr>
<td>D-</td>
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<tr>
<td>F</td>
<td>≤59%</td>
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Principal Text:

Additional Reading Material:
ISBN: 0-534-01320-1

Summary of Class Dates, Reading Assignments, Homework and Exams

<table>
<thead>
<tr>
<th>Week</th>
<th>Date</th>
<th>Reading Assignments and Exams</th>
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<tbody>
<tr>
<td>1</td>
<td>August 31</td>
<td>B&amp;P: chapters 1, 2</td>
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<tr>
<td>2</td>
<td>September 7</td>
<td>B&amp;P: chapters 2, 3</td>
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<td>3</td>
<td>September 14</td>
<td>B&amp;P: chapter 3, HW Assignment 1</td>
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<tr>
<td>5</td>
<td>September 28</td>
<td>B&amp;P: chapter 4</td>
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<tr>
<td>6</td>
<td>October 5</td>
<td>B&amp;P: chapter 5, HW Assignment 2</td>
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<tr>
<td>7</td>
<td>October 12</td>
<td>B&amp;P: chapters 6, 7</td>
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<tr>
<td>8</td>
<td>October 19</td>
<td>No Class</td>
</tr>
<tr>
<td>9</td>
<td>October 26, 7:00-9:00 p.m.</td>
<td>Midterm Exam</td>
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<tr>
<td>10</td>
<td>November 2</td>
<td>B&amp;P: chapter 8</td>
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<tr>
<td>11</td>
<td>November 9</td>
<td>B&amp;P: chapter 9, 10</td>
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<tr>
<td>12</td>
<td>November 16</td>
<td>B&amp;P: chapters 11, 13</td>
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<tr>
<td>13</td>
<td>November 23</td>
<td>B&amp;P: chapters 11, 13</td>
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<tr>
<td>14</td>
<td>November 30</td>
<td>B&amp;P: chapter 12, HW Assignment 4</td>
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<tr>
<td>15</td>
<td>December 7</td>
<td>to be determined</td>
</tr>
<tr>
<td>Final</td>
<td>December 14, 8:10-10:10 p.m.</td>
<td>Final Exam</td>
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Topics and Reading Assignments

Week 1: August 31
Course Overview
Introduction: Economic Analysis and Business Decision Making
Baye and Prince, Chapters 1, 2

Week 2: September 7
Supply and Demand
Baye and Prince, Chapters 2, 3

Week 3: September 14
Supply and Demand
Baye and Prince, Chapter 3
First Homework Assignment is due Sunday, September 18

Week 4: September 21
Present Value Discounting and Decision Making
Baye and Prince, pp. 14-17
Alchian and Allen, Chapter 6

Week 5: September 28
Individual Incentives and Behavior
Baye and Prince, Chapter 4

Week 6: October 5
Production Costs
Baye and Prince, Chapter 5
Second Homework Assignment is due Sunday, October 2

Week 7: October 12
Firms and Industry
Baye and Prince, Chapters 6, 7

Week 8: October 19
No Class—Presidential Debate on UNLV Campus

Week 9: October 26, 7:00-9:00 p.m.
Midterm Exam

Week 10: November 2
Market Structure and Management
Baye and Prince, Chapter 8
Week 11: November 9
Industrial Behavior
Baye and Prince, Chapters 9, 10

Week 12: November 16
Pricing and Business Strategies
Baye and Prince, Chapters 11, 13
Third Homework Assignment is due Sunday, November 20

Week 13: November 23
Pricing and Business Strategies
Baye and Prince, Chapters 11, 13

Week 14: November 30
Information and the Market Place
Baye and Prince, Chapter 12
Fourth Homework Assignment is due Sunday, December 4

Week 15: December 7
To be determined

Week 16: Wednesday, December 14, 8:10-10:10 p.m.
Final Exam
Relevant UNLV Policies

Academic Misconduct—Academic integrity is a legitimate concern for every member of the campus community; all share in upholding the fundamental values of honesty, trust, respect, fairness, responsibility and professionalism. By choosing to join the UNLV community, students accept the expectations of the Student Academic Misconduct Policy and are encouraged when faced with choices to always take the ethical path. Students enrolling in UNLV assume the obligation to conduct themselves in a manner compatible with UNLV’s function as an educational institution.

An example of academic misconduct is plagiarism. Plagiarism is using the words or ideas of another, from the Internet or any source, without proper citation of the sources. See the Student Academic Misconduct Policy (approved December 9, 2005) located at: https://www.unlv.edu/studentconduct/student-conduct.

Copyright—The University requires all members of the University Community to familiarize themselves with and to follow copyright and fair use requirements. You are individually and solely responsible for violations of copyright and fair use laws. The university will neither protect nor defend you nor assume any responsibility for employee or student violations of fair use laws. Violations of copyright laws could subject you to federal and state civil penalties and criminal liability, as well as disciplinary action under University policies. Additional information can be found at: http://www.unlv.edu/provost/copyright.

Disability Resource Center (DRC)—The UNLV Disability Resource Center (SSC-A 143, http://drc.unlv.edu/, 702-895-0866) provides resources for students with disabilities. If you feel that you have a disability, please make an appointment with a Disabilities Specialist at the DRC to discuss what options may be available to you. If you are registered with the UNLV Disability Resource Center, bring your Academic Accommodation Plan from the DRC to the instructor during office hours so that you may work together to develop strategies for implementing the accommodations to meet both your needs and the requirements of the course. Any information you provide is private and will be treated as such. To maintain the confidentiality of your request, please do not approach the instructor in front of others to discuss your accommodation needs.

Religious Holidays Policy—Any student missing class quizzes, examinations, or any other class or lab work because of observance of religious holidays shall be given an opportunity during that semester to make up missed work. The make-up will apply to the religious holiday absence only. It shall be the responsibility of the student to notify the instructor within the first 14 calendar days of the course for fall and spring courses (excepting modular courses), or within the first 7 calendar days of the course for summer and modular courses, of his or her intention to participate in religious holidays which do not fall on state holidays or periods of class recess. For additional information, please visit: http://catalog.unlv.edu/content.php?catoid=6&navoid=531.

Transparency in Learning and Teaching—The University encourages application of the transparency method of constructing assignments for student success. Please see these two links for further information:

https://www.unlv.edu/provost/teachingandlearning
https://www.unlv.edu/provost/transparency

Incomplete Grades—The grade of I—Incomplete—can be granted when a student has satisfactorily completed three-fourths of course work for that semester/session but for reason(s) beyond the student’s control, and acceptable to the instructor, cannot complete the last part of the course, and the instructor believes that the student can finish the course without repeating it. The incomplete work must be made up before the end of the following regular semester for undergraduate courses. Graduate students receiving “I” grades in 500-, 600-, or 700-level courses have up to one calendar year to complete the work, at the discretion of the instructor. If course requirements are not completed within the time indicated, a grade of F will be recorded and the GPA will be adjusted accordingly. Students who are fulfilling an Incomplete do not register for the course but make individual arrangements with the instructor who assigned the I grade.
Library—Students may consult with a librarian on research needs. For this class, the subject librarian is [https://www.library.unlv.edu/contact/librarians_by_subject](https://www.library.unlv.edu/contact/librarians_by_subject). UNLV Libraries provides resources to support students’ access to information. Discovery, access, and use of information are vital skills for academic work and for successful post-college life. Access library resources and ask questions at [https://www.library.unlv.edu/](https://www.library.unlv.edu/).

Tutoring and Coaching—The Academic Success Center (ASC) provides tutoring, academic success coaching and other academic assistance for all UNLV undergraduate students. For information regarding tutoring subjects, tutoring times, and other ASC programs and services, visit [http://www.unlv.edu/asc](http://www.unlv.edu/asc) or call 702-895-3177. The ASC building is located across from the Student Services Complex (SSC). Academic success coaching is located on the second floor of the SSC (ASC Coaching Spot). Drop-in tutoring is located on the second floor of the Lied Library and College of Engineering TEB second floor.

UNLV Writing Center—One-on-one or small group assistance with writing is available free of charge to UNLV students at the Writing Center, located in CDC-3-301. Although walk-in consultations are sometimes available, students with appointments will receive priority assistance. Appointments may be made in person or by calling 702-895-3908. The student’s Rebel ID Card, a copy of the assignment (if possible), and two copies of any writing to be reviewed are requested for the consultation. More information can be found at: [http://writingcenter.unlv.edu/](http://writingcenter.unlv.edu/).

Rebelmail—By policy, faculty and staff should e-mail students’ Rebelmail accounts only. Rebelmail is UNLV’s official e-mail system for students. It is one of the primary ways students receive official university communication such as information about deadlines, major campus events, and announcements. All UNLV students receive a Rebelmail account after they have been admitted to the university. Students’ e-mail prefixes are listed on class rosters. The suffix is always @unlv.nevada.edu. Emailing within WebCampus is acceptable.

Final Examinations—The University requires that final exams given at the end of a course occur at the time and on the day specified in the final exam schedule. See the schedule at: [http://www.unlv.edu/registrar/calendars](http://www.unlv.edu/registrar/calendars).