

ECON2014

Managerial Economics

Semester 1, 2018

Welcome to ECON2014/6014 Managerial Economics! One of the most practical and applied courses at RSE. Over the length of the semester we will build a solid apparatus to undertake analysis of key managerial problems in economics: we focus on the three main areas: we start with key economic concepts in Managerial Economics (will explore fundamental microeconomics topics such as demand, supply, production, cost, market structure and pricing from managerial angle), will develop our deep understanding of key for the course framework of Organisational Architecture (consisted of decision rights assignment, reward system and performance evaluation mechanisms) and we will conclude the course with key contemporary and exciting applications of Organisational Architecture in dominating areas of executive concerns: Corporate Governance, Vertical Integration, Outsourcing and Incentive Compensation.

Mode of Delivery	On campus
Prerequisites	To enrol in this course you must have completed ECON1101
Incompatible Courses	Incompatible with ECON6014
Co-taught Courses	ECON2014 is co-taught with ECON6014 ECON6014 (graduate) students attend joint Lectures and Tutorials with ECON2014 (undergraduates) but are assessed separately
Course Convener:	Dr. Marina ISKHAKOVA
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Office hours for student consultation:	Monday 11am-1pm, Copland Building (24), room 2113

Research Interests	Managerial Economics/International Management/Education Management/ International Human Resource Management
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Tutor(s) (optional)	Dr. Marina ISKHAKOVA

SEMESTER 1, 2018

COURSE OVERVIEW

Course Description (optional)

Over the length of the Semester we will focus on the 3 main areas: we start with Key concepts in Managerial Economics, we continue and will develop our deep understanding of fundamentals of designing of Organisational Architecture and we will conclude the course with key and exciting applications for managers such as corporate governance, vertical integration, outsourcing and incentive compensation.

Learning Outcomes

Upon successful completion of the requirements for this course, students will be able to:

1. Understand the roles of managers in firms
2. Understand the internal and external decisions to be made by managers
3. Design competition strategies, including pricing, product differentiation, research & development, and marketing, according to the natures of products and the structures of the markets
4. Design optimal incentive schemes, including salary, bonus, and stock options, for employees at different levels of the firm
5. Analyse real-world business problems with a systematic theoretical framework.

Assessment Summary

Assessment Task	Value	Due Date	Date for Return of Assessment	Linked Learning Outcomes (optional)
1. Written assignment	40% of mark	Week 6	<i>1 April 2017, 23.59 via Turnitin submission</i>	1,2,3
2. Team Presentation	20% of mark	Weeks 9-10	<i>Oral Team presentation at Tutorial, 30th April and 7th May 2018</i>	1,2,3,4,5
3. Final Exam	60% of mark	Exam week	<i>Please refer to Final Exam timetable (1-16th June 2018)</i>	1,2,3,4,5

Research-Led Teaching

Additional to a great textbook, the Course will be based and include very relevant, bright, contemporary academic articles on related topics.

Feedback

Staff Feedback

In this course students will receive feedback in the following formats: eg. written comments, verbal comments, feedback to the whole class, to groups, to individuals.

Student Feedback

ANU is committed to the demonstration of educational excellence and regularly seeks feedback from students. One of the key formal ways students have to provide feedback is through Student Experience of Learning Support (SELS) surveys. The feedback given in these surveys is anonymous and provides the Colleges, University Education Committee and Academic Board with opportunities to recognise excellent teaching, and opportunities for improvement.

For more information on student surveys at ANU and reports on the feedback provided on ANU courses, go to

<http://unistats.anu.edu.au/surveys/selt/students/> and
<http://unistats.anu.edu.au/surveys/selt/results/learning/>

Policies

ANU has educational policies, procedures and guidelines, which are designed to ensure that staff and students are aware of the University's academic standards, and implement them. You can find the University's education policies and an explanatory glossary at:

<http://policies.anu.edu.au/>

Students are expected to have read the [Academic Misconduct Rule](#) before the commencement of their course.

Other key policies include:

- Student Assessment (Coursework)
- Student Surveys and Evaluations
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Required Resources

Commonwealth supported students and domestic full-fee paying students generally must be able to complete the requirements of their program of study without the imposition of fees that are additional to the student contribution amount or tuition fees.

Provided that its payment is in accordance with the *Act*, a fee is of a kind that is into any one or more of the following categories:

- (a) It is a charge for a good or service that is not essential to the course of study.

- (b) It is a charge for an alternative form, or alternative forms, of access to a good or service that is an essential component of the course of study but is otherwise made readily available at no additional fee by the higher education provider.
- (c) It is a charge for an essential good or service that the student has the choice of acquiring from a supplier other than the higher education provider and is for:
 - (i) equipment or items which become the physical property of the student and are not consumed during the course of study; or
 - (ii) food, transport and accommodation costs associated with the provision of field trips that form part of the course of study.
- (d) It is a fine or a penalty provided it is imposed principally as a disincentive and not in order to raise revenue or cover administrative costs.

Additional course costs

No extra costs except acquiring a textbook is required

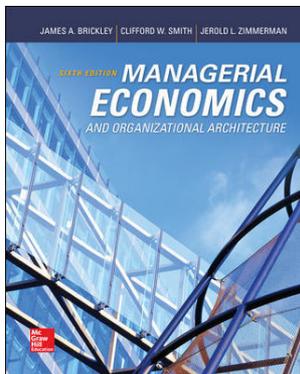
Examination material or equipment

Will be confirmed at week 12.

Recommended Resources

Recommended Textbook: <http://www.mheducation.com.au/9780073523149-aus-managerial-economics-organizational-architecture>

Managerial Economics & Organizational Architecture
by James Brickley, Clifford W. Smith, Jr. and Jerold Zimmerman



Edition: 6th
ISBN: 9780073523149

COURSE SCHEDULE

Week / Lecture date	Summary of Activities	Assessment
1 (21 Feb)	Introduction to Managerial Economics	
2 (28 Feb)	Demand, Production and Cost	
3 (7 March)	Market Structure and Pricing	
4 (14 March)	Economics of Strategy: creating Value and Game Theory	
5 (21 March)	Incentive Conflicts and Contracts	
6 (28 March)	Lego-Play Managerial Economics simulation workshop	Written assignment through Turnitin, due date 1 April 2018, 23.59, 40%
	2 weeks of Mid-Term Break	
7 (18 April)	Organisational Architecture	
8 (25 April)	Decision Rights: Empowerment and Bundling Tasks	ANZAC-Day, day-off (Video Recorded Lecture)
9 (2 May)	Attracting and Retaining Employees and Incentive Compensation	Team Presentation 20%
10 (9 May)	Performance Evaluation	Team Presentation 20%
11 (16 May)	Corporate Governance, Vertical Integration and Outsourcing	
12 (23 May)	Leadership and Motivating Change and Course Revision	
	Examination period 1-16 th June 2018	Final Exam 40%

ASSESSMENT REQUIREMENTS

The ANU is using Turnitin to enhance student citation and referencing techniques, and to assess assignment submissions as a component of the University's approach to managing

Academic Integrity. For additional information regarding Turnitin please visit the [ANU Online](#) website.

Students may choose not to submit assessment items through Turnitin. In this instance you will be required to submit, alongside the assessment item itself, copies of all references included in the assessment item.

Assessment Tasks

Active Participation on Lectures and Tutorials is highly encouraged!

Assessment Task 1: Written assignment through Turnitin

Details of task: Case Studies analysis

Assessment Rubrics: Will be added to Wattle

Word limit: TBA

Value: 40% of final mark

Estimated return date: 1 April, 2018, 23.59 via Turnitin submission

Individual Assessment

Assessment Task 2: Team Presentation

Details of task: Managerial Economics problem analysis and Team presentation

Assessment Rubrics: Will be added to Wattle

Word limit: TBA

Value: 20% of final mark

Estimated return date: Team presentation at Tutorial of week 9 and week 10

Team Assessment: 4 Students in a Team, 15 min presentation + Q/A

Assessment Task 2: Final Exam

Details of task: Case Studies analysis

Assessment Rubrics: Will be added to Wattle

Value: 40% of final mark

Exam Period: 1-16th June 2018

Individual Assessment

Examination(s)

Final Exam (see above)

Assignment submission

Online Submission: Assignments are submitted using Turnitin in the course Wattle site. You will be required to electronically sign a declaration as part of the submission of your assignment. Please keep a copy of the assignment for your records.

Extensions and penalties

Extensions and late submission of assessment pieces are covered by the Student Assessment (Coursework) Policy and Procedure.

The Course Convener may grant extensions for assessment pieces that are not examinations or take-home examinations. If you need an extension, you must request it in writing on or before the due date. If you have documented and appropriate medical evidence that demonstrates you were not able to request an extension on or before the due date, you may be able to request it after the due date. Late submission of assessment tasks without an extension are penalised at the rate of 5% of the possible marks available per working day or part thereof. Late submission of assessment tasks is not accepted after 10 working days after the due date, or on or after the date specified in the course outline for the return of the assessment item.

Returning assignments

Mid-term Exam: written at home assignment, submitted via Turnitin

Final Exam: In Class written Exam

Resubmission of assignments

No Resubmission is allowed

Referencing requirements

Please use Harvard referencing style, more details are available here:

<http://www.anu.edu.au/students/learning-development/academic-integrity/style-guides>

Scaling

Your final mark for the course will be based on the **raw** marks allocated for each of your assessment items. However, your final mark may not be the same number as produced by that formula, as marks may be **scaled**. Any scaling applied will preserve the rank order of raw marks (i.e. if your raw mark exceeds that of another student, then your scaled mark will exceed the scaled mark of that student), and may be either up or down.

Privacy Notice

The ANU has made a number of third party, online, databases available for students to use. Use of each online database is conditional on student end users first agreeing to the database licensor's terms of service and/or privacy policy. Students should read these carefully.

In some cases student end users will be required to register an account with the database licensor and submit personal information, including their: first name; last name; ANU email address; and other information.

In cases where student end users are asked to submit 'content' to a database, such as an assignment or short answers, the database licensor may only use the student's 'content' in accordance with the terms of service – including any (copyright) licence the student grants to the database licensor.

Any personal information or content a student submits may be stored by the licensor, potentially offshore, and will be used to process the database service in accordance with the licensors terms of service and/or privacy policy.

If any student chooses not to agree to the database licensor's terms of service or privacy policy, the student will not be able to access and use the database. In these circumstances students should contact their lecturer to enquire about alternative arrangements that are available.

Tutorial Seminar Registration

Tutorial signup for this course will be done via the Wattle website. Detailed information about signup times will be provided on Wattle or during your first lecture. When tutorials are available for enrolment, follow these steps:

1. Log on to Wattle, and go to the course site
2. Click on the link "Tutorial enrolment"
3. On the right of the screen, click on the tab "Become Member of...." for the tutorial class you wish to enter
4. Confirm your choice

If you need to change your enrolment, you will be able to do so by clicking on the tab "Leave group...." and then re-enrol in another group. You will not be able to enrol in groups that have reached their maximum number. Please note that enrolment in ISIS must be finalised for you to have access to Wattle.

SUPPORT FOR STUDENTS

The University offers a number of support services for students. Information on these is available online from <http://students.anu.edu.au/studentlife/>

OTHER INFORMATION

Building Access Hours

Both CBE and HW ARNDT are:

TEACHING PERIOD = Mon-Fri 07.45 to 21.15 and SAT, SUN and Public Holidays is not accessible by students.

Both CBE and HW ARNDT are:

NON TEACHING PERIOD = Mon-Fri 08.00 to 18.00 and SAT, SUN and Public Holidays is not accessible by students.

RSE has a Frequently Asked Questions page where you can find relevant policies and information on a broad range of topics

<https://www.rse.anu.edu.au/students/frequently-asked-questions/>