

ECON 101 : Managerial Economics

Summer 2020 Syllabus

Jay Chen, PhD, CFA

1 Purpose

Analysis of the theory and practice of decision making in business firms, applying the concepts and techniques of microeconomics. Topics may include pricing schemes, non-price competition, internal organization of firms, incentive contracts, asymmetric information, and game theory. Case studies are used to illustrate some topics.

2 Learning Objectives

1. To understand economic tools used in business and management settings
2. To apply analytic tools in business and management settings

3 Instructor Contact

1. Email: jyc@ucsc.edu
2. Office hours: Tuesdays, email me to make a Google Meeting appointment
3. TA: Yilin Li (email: yli568@ucsc.edu)

4 Important Dates

Drop: Monday, June 29

Request for W: Friday, July 10

For all dates and deadlines, including change of grade option (P/NP) and grades due, here is the summer academic calendar: <https://summer.ucsc.edu/studentlife/index.html>

For questions about dropping, requesting a W grade for a course, or withdrawing from the summer quarter, email summer@ucsc.edu.

5 Course Materials

1. *Managerial Economics: Applications, Strategies and Tactics* by McGuigan, Moyer, and Harris.
The edition required is 14th, but previous ones will work. Just make sure you work on the right homework assignments.
2. *Shoe Dog: A Memoir by the Creator of Nike* by Phil Knight.

6 Grading

You are evaluated by the following three types of work. Details follow.

1. Homework assignments: $10 \times 5\% = 50\%$.
2. Weekly projects: $4 \times 10\% = 40\%$.
3. A book report: $1 \times 10\% = 10\%$.

7 Lecture Format

On every scheduled class day, we will have a Zoom meeting. It is mandatory and I will take attendance. Because we will discuss the weekly projects in the meetings, you don't want to miss them anyway. Each no-excuse absence will cost you 2% of your grade.

In the Zoom meetings, which are planned to start at 9am PDT and will last for 1 to 1.5 hours, I will go over a real-world problem. We will work on the problem only during the meetings. When we are done with the two meetings of a week, you will have enough knowledge and materials to complete the weekly project.

Besides Zoom meetings, you are also asked to watch video lectures I post on Canvas. These lectures follow the textbook closely. After finishing the video lectures, you should work on the homework assignments, which are always due at the beginning of the next Zoom meeting. For example, your first homework assignment is due by the beginning of Zoom meeting on June 24, Wednesday.

8 Homework Assignment

Each assignment's grading rubric:

- 5 pts: Correct answers with clear and satisfying explanations
- 4 pts: Partially correct answers with good explanations
- 3 pts: Incorrect answers with enough explanations
- 2 pts: Correct/incorrect answers with some explanations.
- 1 pt: Correct answers without explanations.

9 Weekly Projects

For weekly projects, you should see yourself as a consultant trying to solve a business problem for your corporate client. You will use tools you learn from the class and build up a report with real-world data collection and analysis.

In the Zoom meetings, I will walk you through how to collect data and may show you what the best way to analyze the problem. But eventually you, and only you (not a group project), should write a business memo for each project. In the memo, you always have a one-page executive summary to tell your client upfront what you do and what you have found. Then you elaborate on your result in the following pages.

Citation of your sources is needed, but I am not forcing you to use any specific citation method. The point is to "give credit when it is due". Plagiarism is a serious offense that will have grave consequences.

All projects are due on Monday before the Zoom meeting begins, starting from the second week. Each project's grading rubric:

1. Data collection and process
 - 3 pts: Extensive with clear explanation
 - 2 pts: Adequate with some explanation
 - 1 pt: Minimum efforts
2. Analysis and recommendation
 - 3 pts: Having a clear and feasible plan with explanation
 - 2 pts: Acceptable plan
 - 1 pt: Minimum efforts
3. Writing
 - 3 pts: Concise writing without grammar and spelling errors.
 - 2 pts: Good writing with minimum amounts of writing errors.
 - 1 pt: Acceptable writing with some writing errors.
4. Overall exception: one extra point will be given.

10 Book Report

You are asked to write a 3-page book report on *Shoe Dog*. The memoir of Nike's founder gives us lots of insight to managerial decisions in the real world.

The report should be 12-point font size and double spaced. The first 1.5 pages are to have a short intro explaining Nike's story and what your general thoughts about Phil Knight's book are.

The remaining needs to have examples of managerial decisions you take from the book. Preferably, you use knowledge you acquire from the class to discuss Nike's managerial decisions.

Due day is July 22 (Wednesday) 9am PDT. The last Zoom meeting is reserved for discussing the book. You get extra credit for participating in the discussion.

Here is the grading rubric:

1. Book summary and general thoughts
 - 3 pts for a complete and succinct summary with insight
 - 2 pts for a complete summary with adequate thoughts
 - 1 pt for some summary of the story.
2. Managerial economics examples
 - 3 pts for original and thoughtful reflections.
 - 2 pts for articulating thoughts.
 - 1 pt for acceptable reflections.
3. Writing
 - 3 pts for concise writing without grammar and spelling errors.
 - 2 pts for good writing with minimum amounts of writing errors.
 - 1 pt for acceptable writing with some writing errors.
4. Exceptional work
 - 1 pt for being overall exceptional.

11 Canvas

Canvas is where you get the schedule and assignments. It is also where you can turn in your assignments.

12 DRC Remote Accommodations

The Disability Resources Center reduces barriers to inclusion and full participation for students with disabilities by providing support to individually determine reasonable academic accommodations. If you have questions or concerns about exam accommodations or any other disability-related matter, please contact the DRC office at 831-459-2089 or drc@ucsc.edu.

13 Academic Dishonesty

Academic integrity is the cornerstone of a university education. Academic dishonesty diminishes the university as an institution and all members of the university community. It tarnishes the value of a UCSC degree. All members of the UCSC community have an explicit responsibility to foster an environment of trust, honesty, fairness, respect, and responsibility. All members of the university community are expected to present as their original work only that which is truly their own. All members of the community are expected to report observed instances of cheating, plagiarism, and other forms of academic dishonesty in order to ensure that the integrity of scholarship is valued and preserved at UCSC. In

the event a student is found in violation of the UCSC Academic Integrity policy, he or she may face both academic sanctions imposed by the instructor of record and disciplinary sanctions imposed either by the provost of his or her college or the Academic Tribunal convened to hear the case. Violations of the Academic Integrity policy can result in dismissal from the university and a permanent notation on a student's transcript. For the full policy and disciplinary procedures on academic dishonesty, students and instructors should refer to the Academic Integrity page at the Division of Undergraduate Education.

14 Title IX

The university cherishes the free and open exchange of ideas and enlargement of knowledge. To maintain this freedom and openness requires objectivity, mutual trust, and confidence; it requires the absence of coercion, intimidation, or exploitation. The principal responsibility for maintaining these conditions must rest upon those members of the university community who exercise most authority and leadership: faculty, managers, and supervisors. The university has therefore instituted a number of measures designed to protect its community from sex discrimination, sexual harassment, sexual violence, and other related prohibited conduct. Information about the Title IX Office, the online reporting link, applicable campus resources, reporting responsibilities, the UC Policy on Sexual Violence and Sexual Harassment, and the UC Santa Cruz Procedures for Reporting and Responding to Reports of Sexual Violence and Sexual Harassment can be found at titleix.ucsc.edu. The Title IX/Sexual Harassment Office is located at 105 Kerr Hall. In addition to the online reporting option, you can contact the Title IX Office by calling 831-459-2462.