

<b>Course No.:</b> DLMBME01-01	<b>Course Title:</b> Managerial Economics	<b>Hours Total:</b> 150 h  <b>Credit Points:</b> 5 ECTS
<b>Course Type:</b> Pflicht <b>Course Availability:</b> WS, SS <b>Course Duration:</b> minimum 1 semester		<b>Admission Requirements:</b> None
<b>Course Coordinator / Instructor:</b> See current list of tutors in the Learning Management System		<b>References to Other Modules:</b> Please see module description
<p><b>Course Description:</b></p> <p>This course takes an in-depth look into the economic framework underlying markets and economies and the economic rationale underlying strategic decisions. In order to enable students to analyze the economic environment and draw conclusions from a managerial perspective, the first part of the course is devoted to the description and analysis of market forces. Following this, strategic decision making makes up the second half of the course. In particular, these latter units deal with the role of different market structures and asymmetric information as well as the fundamentals of game theory, which supports students to understand with the underlying decision making processes at work in modern economics.</p> <p><b>Course Objectives and Outcome:</b></p> <p>On successful completion of this course, students will be able to:</p> <ul style="list-style-type: none"> <li>• Define the scope of managerial economics and describe its contribution to both entrepreneurial decision-making and economic theory at large.</li> <li>• Identify and interpret various macroeconomic indicators and analyze the role of macroeconomic factors in shaping governmental and central bank policies.</li> <li>• Calculate various elasticities of demand and accurately estimate future demand using regression analysis.</li> <li>• Identify price and non-price determinants of supply and calculate production and cost functions.</li> <li>• Identify various market structures and evaluate pricing strategies adopted by firms.</li> <li>• Evaluate the role and effectiveness of policies to reduce the occurrence of market failure.</li> <li>• Recognize the role of understanding risk in managerial decision-making and select advantageous capital budgeting projects.</li> <li>• Apply theories of economic behavior and design entrepreneurial strategies to successfully manage a company and secure for it a competitive advantage.</li> </ul> <p>The learning materials include printed and online course books, vodcasts, online knowledge tests, podcasts, online tutorials, and case studies. This range of learning materials is offered to students so they can study at a time, place, and pace that best suits their circumstances and individual learning style.</p> <p><b>Course Content:</b></p> <p><b>1. The Nature, Scope, and Method of Managerial Economics</b></p> <p>1.1 The Nature and Scope of Managerial Economics</p> <p>1.2 The Method of Managerial Economics</p>		

## **2. The Macroeconomic Environment**

2.1 Macroeconomic Conditions and the Business Cycle

2.2 Government and Central Bank Policies

## **3. Market Force: Demand**

3.1 The Theory of Demand

3.2 Elasticity of Demand

3.3 Demand Estimation

## **4. Market Force: Supply**

4.1 The Theory of Supply

4.2 Price Determination

4.3 Production Theory

4.4 Cost Theory

## **5. Market Structures and Competition**

5.1 Theories of the Firm

5.2 Market Structures

5.3 Pricing Strategies

## **6. Government Regulation and Industry**

6.1 Market Failures

6.2 Government Policies to Reduce Market Failure

## **7. Strategic Analysis and Decision-Making**

7.1 Game Theory

7.2 Information and Decision-Making

7.3 Auctions

## **8. Capital Budgeting and Risk**

8.1 Capital Budgeting

8.2 Investment Analysis

8.3 Risk Versus Uncertainty

### **Literature:**

- Baye, M. R. (2009). Managerial economics and business strategy (7th ed.). New York, NY: McGraw-Hill Higher Education.
- Besanko, D., Dranove, D., Shanley, M., & Schaefer, S. (2009). Economics of strategy (5th ed.). John Wiley and Sons
- Gupta, G. S. (2011). Managerial economics (2nd ed.). New York, NY: McGraw Hill.
- Keat, P. G., Young, P. K. Y., & Erfle, S. E. (2013). Managerial economics: Economic tools for decision makers (7th ed.). London Prentice Hall.
- Kreps, D. M. (2003). Microeconomics for managers. New York, NY: W. W. Norton & Company.
- Png, I., & Lehman, D. (2012). Managerial economics (4th ed.). London Routledge.

**Prerequisites to Qualify for Assessment:**

- Depending on the course: Completion of online knowledge tests (approx. 15 minutes per unit, pass / not pass)
- Course evaluation

**Assessment:**

Exam, 90 Min.

Student Workload (in hours): 150

- Self-study: 90
- Self-testing: 30
- Tutorials: 30

Wir verwenden Cookies, um Dir den bestmöglichen Service zu gewährleisten. Wenn Du auf dieser Website weitersurfst, stimmst du damit der Cookie-Nutzung zu.