Syllabus

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Hours: Online

1 Description

This is a course in microeconomic theory with applications to business analysis and strategy. The material in the course includes the economic analysis useful for understanding the structure and performance of markets and the factors which affect the performance of a business.

Learning outcomes: At the completion of the course, the students will be able to

1. Apply the basic analytical techniques used in economic analysis, including optimization, game theory, and statistical analysis.
2. Describe the basic theory of consumer behavior, estimate a demand function, and use the demand function to make production and pricing decisions.
3. Explain the basic function of a business, estimate a cost function, and use the cost function to make production and pricing decisions.
4. Describe the different types of market structures and explain the basic relationship between market structure and prices, market shares, and profitability.
5. Describe and explain a number of business strategies, such as product differentiation, complementary products, and nonlinear prices, which can improve the performance of a business.

The students will learn the material by reading the textbook, viewing online presentations, participating in the online classroom sessions, and completing a number of homework problems. The comprehension of the material will be measured by the performance of the students on the homework, quizzes, and examinations.

2 Prerequisites

The only formal academic prerequisite for this course is a course in introductory microeconomics. A course in calculus and a course in probability and statistics would be helpful, but are not required.

a. Textbook
The required textbook for the course is Michael R. Baye and Jeffrey T. Prince (2010), *Managerial Economics and Business Strategy*, 8th edition. This book will be the main source for the material in this course. This is a relatively non-technical book and contains good introductions and intuitive explanations for much of the material we will cover.

**REMARK:** You should know that much of the material in the course may not be in the textbook. Therefore, the online presentations are a complement, and not a substitute, for the textbook.

**b. Mathematics**

I will present the material in a student-friendly form, which means simple models with simple functional forms. I believe you can obtain the intuition behind the phenomena from a simple model and understand that the results can be extended to more general formulations. Therefore, little mathematical knowledge is required for the course, namely algebra and elementary calculus, which I will review as needed.

**3 Structure of the course**

I will dedicate as much time to the course as necessary. The material in this course is closely related to my research and teaching interests and I intend to make this course a fun and productive experience for you.

**a. Delivery of the Material**

You will access the material in the course by reading the textbook, viewing online presentations, and participating in the online classroom sessions.

i. **Textbook:** You should always start by reading the appropriate material in your textbook. The online presentations will be easier to follow and the virtual classroom sessions will be more fun and productive for you if you read the related material in your textbook ahead of time.

ii. **Online presentations:** There will be a number of online presentations which review and extend the material in your textbook. Much of the material in the online presentations will not be in your textbook. Therefore, the textbook and the online presentations are not substitutes for each other.

iii. **Online classroom sessions:** In addition, there will be multiple weekly online classroom sessions. The online classroom sessions are intended to be relatively informal and to give you the opportunity to ask questions and interact directly with the instructor in real time.

I believe that a central element in the learning process is active participation by the learner. I understand that reading the textbook and viewing online presentations can promote passive observation rather than active participation.
Therefore, I have added the online classroom sessions and will try to make the online presentations as interactive as possible.

b. Grades

Your grade for the course will be determined by your performance in the homework, quizzes, and examinations.

i. Examinations

There will be a MIDTERM and a FINAL examination. Your performance on each examination will determine 25% of your grade. The exams will generally consist of problems similar to the homework problems and the problems in the online presentations. More information will be provided later in the course.

ii. Quizzes

There will be a number of weekly quizzes, with mostly multiple choice questions. The quizzes will be relatively easy and are intended to make sure that you know the main concepts and have an intuitive understanding of the main ideas. Your performance on the quizzes will determine 25% of your grade.

iii. Homework

There will be a number of homework assignments that will be distributed during the course. Your performance in the homework will determine 25% of your grade. The homework problems will help you to achieve the learning objectives and to prepare for the examinations.

4 Outline

This section provides an outline for the material we will cover in the course.

1. Introduction and Review

   WEEK 1: Introduction
   READ: Chapter 1

   WEEK 2: Equilibrium in Competitive Markets
   READ: Chapter 2

   September 8 [Census Date]: Deadline for all registrations and schedule changes, including withdrawing without penalty

2. Consumers

   WEEK 3: The theory of consumer behavior
   READ: Chapter 4
WEEK 4: The demand function and elasticity
   READ: Chapter 3

3. Producers

WEEK 5: The production process and the cost function
   READ: Chapter 5
   READ: Chapter 6

WEEK 6: Perfect Competition
   READ: Chapter 8

WEEK 7: MIDTERM EXAMINATION

4. Monopoly and Imperfect Competition

WEEK 8: Monopoly
   READ: Chapter 7
   READ: Chapter 8

WEEK 9: Introduction to game theory
   READ: Chapter 10

WEEK 10: The standard model of imperfect competition

WEEK 11: Product differentiation, complementary products, and network markets

5. Advanced Topics

WEEK 12: Price strategies
   READ: Chapter 11

WEEK 13: Economics of information
   READ: Chapter 12
   READ: Chapter 6

WEEK 14: Thanksgiving Break

6. Empirical Analysis

WEEK 15: Regression Analysis
   READ: Chapter 3

FINAL EXAMINATION
TECHNICAL INFORMATION

This section provides information about the technology requirements, how to get technical assistance, and how to access the academic resources available at UT Tyler.

Technical Requirements
The minimum technology requirements are as follows:

- A computer with Internet access. For the Online Classroom sessions, a computer with a webcam or microphone will be helpful.
- You will need to login to Blackboard and view videos, PDF documents, and other online material.
- You should be able to create Word and PDF documents and to upload your documents to Blackboard.

For additional information on technology requirements, such as supported Web Browsers and other Internet Applications (including download options), see the section on "Technology Requirements" in the Student Resources for Online Courses.

Netiquette
In your online interactions with the instructor and other students, you are expected to be professional. For more information about Internet etiquette at the University of Texas at Tyler, see the Netiquette Guide.

Technical Assistance
The options for getting UT Tyler technical assistance are:

- Phone: (903) 565-5555
- Email: itsupport@patriots.uttyler.edu

In addition, for questions about Blackboard, you may click the "Help Tab" in Blackboard, visit the "Learning Center for Students", or search the Blackboard help website by keyword.

Academic Resources
For academic support, visit the UT Tyler College of Business and Technology Graduate Advising website. In addition, you may contact the graduate advising staff by phone [(903) 565-5836] or email [CBTMastersAdvising@uttyler.edu].

For a more general list of academic resources and university policies (such as students rights and responsibilities and accessibility policies and services), see the UT Tyler guide for Student Resources for Online Courses.
UNIVERSITY POLICIES

Students Rights and Responsibilities
To know and understand the policies that affect your rights and responsibilities as a student at UT Tyler, please follow this link: http://www.uttyler.edu/wellness/rightsresponsibilities.php

Grade Replacement/Forgiveness and Census Date Policies
Students repeating a course for grade forgiveness (grade replacement) must file a Grade Replacement Contract with the Enrollment Services Center (ADM 230) on or before the Census Date of the semester in which the course will be repeated. Grade Replacement Contracts are available in the Enrollment Services Center or at http://www.uttyler.edu/registrar.

Each semester’s Census Date can be found on the Contract itself, on the Academic Calendar, or in the information pamphlets published each semester by the Office of the Registrar.

Failure to file a Grade Replacement Contract will result in both the original and repeated grade being used to calculate your overall grade point average. Undergraduates are eligible to exercise grade replacement for only three course repeats during their career at UT Tyler; graduates are eligible for two grade replacements. Full policy details are printed on each Grade Replacement Contract.

The Census Date is the deadline for many forms and enrollment actions that students need to be aware of. These include:

- Submitting Grade Replacement Contracts, Transient Forms, requests to withhold directory information, approvals for taking courses as Audit, Pass/Fail or Credit/No Credit.
- Receiving 100% refunds for partial withdrawals. (There is no refund for these after the Census Date)
- Schedule adjustments (section changes, adding a new class, dropping without a “W” grade)
- Being reinstated or re-enrolled in classes after being dropped for non-payment
- Completing the process for tuition exemptions or waivers through Financial Aid

State-Mandated Course Drop Policy
Texas law prohibits a student who began college for the first time in Fall 2007 or thereafter from dropping more than six courses during their entire undergraduate career. This includes courses dropped at another 2-year or 4-year Texas public college or university. For purposes of this rule, a dropped course is any course that is dropped after the census date (See Academic Calendar for the specific date). Exceptions to the 6-drop rule may be found in the catalog. Petitions for exemptions must be submitted to the Enrollment Services Center and must be accompanied by documentation of the extenuating circumstance. Please contact the Enrollment Services Center if you have any questions.
Disability Services
In accordance with Section 504 of the Rehabilitation Act, Americans with Disabilities Act (ADA) and the ADA Amendments Act (ADAAA) the University offers accommodations to students with learning, physical and/or psychiatric disabilities. If you have a disability, including non-visible disabilities such as chronic diseases, learning disabilities, head injury, PTSD or ADHD, or you have a history of modifications or accommodations in a previous educational environment you are encouraged to contact the Student Accessibility and Resources office and schedule an interview with the Accessibility Case Manager/ADA Coordinator, Cynthia Lowery Staples. If you are unsure if the above criteria apply to you, but have questions or concerns please contact the SAR office. For more information or to set up an appointment please visit the SAR office located in the University Center, Room 3150 or call 903.566.7079. You may also send an email to cstaples@uttyler.edu.

Student Absence due to Religious Observance
Students who anticipate being absent from class due to a religious observance are requested to inform the instructor of such absences by the second class meeting of the semester.

Student Absence for University-Sponsored Events and Activities
If you intend to be absent for a university-sponsored event or activity, you (or the event sponsor) must notify the instructor at least two weeks prior to the date of the planned absence. At that time the instructor will set a date and time when make-up assignments will be completed.

Social Security and FERPA Statement:
It is the policy of The University of Texas at Tyler to protect the confidential nature of social security numbers. The University has changed its computer programming so that all students have an identification number. The electronic transmission of grades (e.g., via e-mail) risks violation of the Family Educational Rights and Privacy Act; grades will not be transmitted electronically.

Emergency Exits and Evacuation:
Everyone is required to exit the building when a fire alarm goes off. Follow your instructor’s directions regarding the appropriate exit. If you require assistance during an evacuation, inform your instructor in the first week of class. Do not re-enter the building unless given permission by University Police, Fire department, or Fire Prevention Services.