

MANAGERIAL ECONOMICS B BUS 310
Business Department
University of Washington, Bothell
Spring 2005

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Office hours: Tuesdays and Thursdays 10:00 –10:45 AM OR
by appointment. (Please, do not hesitate to ask)
Class Meeting time and place: Tu. and Th. 11:00 – 1:05 PM, UW 1 - 030

Prerequisites:

Introductory knowledge of calculus, courses in microeconomics, statistics and familiarity with Microsoft Excel. We will be using the statistical and financial functions built into Microsoft Excel.

Purpose of the Course:

BUS 310 is a “hands on” problem-solving course specifically designed for students entering the business program at UWB. In this quantitative course, you will revisit some of the fundamental principles of economics and statistics and learn how to use these principles in making managerial decisions. The concepts and tools you learn in this course will be extended and rigorously applied in subsequent business courses at UWB. Therefore, your effort in this course will be critical to your future success in the business program at UWB.

Attendance and Participation:

Regular attendance is crucial to your success in this course. Please skim the assigned material before you come to class and then read it thoroughly after we have covered it in the class. Some PowerPoint slides of class presentations will be posted on the class website at bb.bothell.washington.edu. We will work on sample problems in class; you will also be assigned problems to work on outside of class.

Textbook and Materials:

Paul G. Keat and Philip K. Y. Young, *Managerial Economics, Fourth Edition*, Prentice Hall, 2003. Available at the Bookstore.

A calculator such as the TI-83

Optional:

Financial calculator with Cash Flow, IRR & NPV functions.
Subscription to The Wall Street Journal.

Note: Please, make sure to bring both textbook and calculator to class.

Group reports and participation:

There will be group reports to be completed by self-selected 4 to 5 person teams. Each member of the group will receive the same grade in this component.

Selected end of the chapter questions from the text is assigned for discussion. Selected problems (about 6 to 10 per chapter) are assigned to provide you with the opportunity to apply the techniques discussed in class. While these assignments will be turned in, they will not be graded and they will bear a striking resemblance to the exam problems. Thus, it is a good idea for the group to work through them together.

Exams and Final:

We will have **two mid-term exams** during the quarter on the date shown below and a **comprehensive final exam** will be given at the scheduled exam time. You will be allowed a sheet of notes for each exam.

Exams will include both qualitative and quantitative questions. *The qualitative* questions may include multiple choice, or short answer types of questions to review concepts and definitions. **Regular class attendance** should prepare you for these types of questions. *The quantitative* questions will include, but will not be limited to, questions similar to those in the problem sets discussed in class.

The final will cover the entire course, but will emphasize the material since the mid-term. Both mid-term exams and the final are closed book. Necessary tables will be provided. Make-up exams will not be given except in extraordinary cases (certified medical condition, family emergency, etc.). **Bring your calculator!**

Evaluation:

Course grades will be based on a curve. There are 4 graded components to the course grade:

Group Reports and Activities	10%
Class Participation & Homework Assignments	5%
Mid-term Exams	50%
Final Exam	35%

Academic Integrity:

Students are expected to read, know and strictly uphold the academic integrity standards specified in the University of Washington student code. The standards are published in the UWB General Catalog and provide clear examples of academic misconduct, cheating, fabrication, facilitation and plagiarism. Unintentional violations of the Code are subject to the same penalties as intentional violation, so please exercise extreme caution in submitting your work. Please also note that the standards apply to both individual students and groups of students. Group members may be held accountable for the violations committed by any person in their group, unless their non-involvement is clearly proven.

**Tentative Schedule of Topics and Related Reading and Exam Dates
(Subject to change)**

<u>Date</u>	<u>Topic</u>	<u>Text Reading</u>
03/29	Introduction: Economics and Managerial Decision Making	Keat: Ch. 1
03/31	Time Value of Money	Keat: Appendix 13A and Harshbarger: Ch. 6
04/05	Time value of Money (cont.)	
04/07	The Firm and its goals Review of Mathematical Concepts Used in Managerial Economics	Keat: Ch. 2 Keat: Appendix 2A
04/12	Supply and Demand	Keat: Ch. 3
04/14	The Mathematics of Supply and Demand	Keat: Appendix 3A
04/19	Exam I	
04/21	Demand Elasticity	Keat: Ch. 4
04/26	Applications of supply and Demand	Keat: Appendix 4A
04/28	Review of Statistics Confidence Intervals	Siegel: Ch. 9
05/03	Hypothesis testing	Siegel: Ch.10
05/05	Demand Estimation	Keat: Ch. 5 Siegel Ch. 11
05/10	Demand Estimation (cont.)	
05/12	Forecasting	Stevenson: Ch. 3 Keat: Ch. 6
05/17	Forecasting (cont.)	
05/19	Exam II	
05/24	The Theory and Estimation of Production	Keat: Ch.7
05/26	The Theory and Estimation of Production (cont.)	
05/31	The Theory and Estimation of Cost	Keat : Ch. 8
06/02	The Theory and Estimation of Cost (cont.)	
06/07	Final Exam 10:50 – 1:05 PM, Calculator and 1 sheet of notes	

