

MBA 703 – Sections 1, 2, & 51: ECONOMIC POLICIES & IMPACT ON GLOBAL OUTCOMES Spring 2020

CLASS TIMES & LOCATION

Section 1: Mondays 6:30 pm – 9:20 pm, 204 Bryan Building

Section 2: Online

Section 51: Wednesdays 2:00 pm – 4:50 pm, 204 Bryan Building

INSTRUCTOR INFORMATION

Dennis Patrick Leyden – 460 Bryan Building, dpleyden@uncg.edu.

Office hours: You are welcome to correspond by email if you have questions. If you would like to talk directly, there are several ways to do that:

- Meet during regularly scheduled office hours – These are held immediately after each class (up to one hour). If you want this option, be sure to be present at the finish of class activities.
- Meet by appointment – If you would like to talk at a time other than during regularly scheduled office hours, email or talk to me to set things up. Be sure to let me know:
 - How you would like to talk – Face-to-face, by phone (give me a phone number), with FaceTime (give me a phone number or email address), or with Skype (give me a userid),
 - 3 or 4 specific times that would work for you, and
 - A brief description of what you would like to talk about.

CATALOG DESCRIPTION

MBA 703 Economics Policies and Impact on Global Outcomes – Economic analysis of markets, and government intervention that addresses the sustainability of fiscal, monetary and exchange rate policy and their short-run and long-run impact on the global environment (3 semester hours credit; no prerequisites).

LEARNING OBJECTIVES

This course focuses on the effects of economic factors on business decision making. Topics include consumer behavior, production and cost environments, market structures, government policies, global economic factors, and the roles of time, uncertainty, and information asymmetries. Students who successfully complete this course will be able to:

- analyze the effect of technology and costs on business decision making,
- analyze the effect of alternative market environments on business decision making,
- explain the role of time on business decision making,
- explain the role of uncertainty on business decision making,
- explain the role of asymmetric information on business decision making, and
- explain the role of government policies on business decision making.

This course contributes to the MBA Program's five fundamental learning goals through the development of:

- Knowledge of the effects of economic factors on business practices (MBA goal 1),
- An economic global perspective (MBA goal 1),
- Understanding of innovation in relation to products, services, and strategies (MBA goal 4), and
- Knowledge integration by connecting economic and firm decision making (MBA goal 5).

MBA Five Fundamental Learning Goals

1. Global issues
 - 1.a. Demonstrates an understanding of the effects of economic, political, and cultural factors on business practices
 - 1.b. Adjusts a business model in a global environment based on economic, political, and cultural factors
2. Organizational sustainability
 - 2.a. Demonstrates an understanding of sustainable business factors
 - 2.b. Evaluates sustainable business practices
3. Ethical leadership and ethical behavior
 - 3.a. Demonstrates an understanding of ethical business principles and practices
 - 3.b. Examines the ethical leadership and ethical behavior in an organization
4. Organizational innovation
 - 4.a. Demonstrates an understanding of the fundamentals of innovation in relation to products, services, and strategies
 - 4.b. Recommends strategies to manage innovation to enhance the performance
5. Knowledge integration
 - 5.a. Utilizes concepts, frameworks, and/or analytical tools from multiple business disciplines
 - 5.b. Identifies possible strategic solutions and recommends a strategy that integrates concepts from multiple business disciplines

READINGS & OTHER SOURCE MATERIAL

To successfully complete the course, students need access to:

- The course's Canvas website,
- The course textbook:
 - Perloff, J. M., & Brander, J. A. (2020). *Managerial Economics and Strategy* (3rd edition). Hoboken, NJ: Pearson, and
 - The textbook's associated MyLab Economics website.

The university provides all students with access to the course's Canvas website. To get access to the textbook and its associated MyLab website, there are two options from which you can choose:

- eText version of the textbook + access to its associated MyLab Economics website, or
- eText version of the textbook + access to its associated MyLab Economics website + a loose-leaf copy of the textbook.

Either option can be purchased from:

- the UNCG bookstore,
- the publisher via the website: <http://www.mypearsonstore.com/bookstore/mylab-economics-with-pearson-etext-access-card-for-9780134899701?xid=PSED> (Note: You can't purchase a loose-leaf version of the text at this link; however, once you register for MyLab Economics, you can purchase an inexpensive loose-leaf copy within MyLab Economics), and
- The publisher via the course Canvas website when you go to set up access to the textbook's associated MyLab Economics website using the "MyLab & Mastering" link (Note: You can't purchase a loose-leaf version of the text using the "MyLab & Mastering" link; however, once you register for MyLab Economics, you can purchase an inexpensive loose-leaf copy within MyLab Economics).

Regardless of from where you purchase access, you can only set up access to the MyLab website using the "MyLab and Mastering" link provided in the course Canvas website; you cannot do so by going directly to the MyLab Economics website. For details on how to set up access, consult the FAQs by clicking on the Canvas "Pages" link.

CONDUCT OF THE COURSE

This course uses a modified "flipped" model of instruction with textbook chapters serving as the course's lectures and with class time, the course Canvas site, the textbook MyLab site, office hours, and email correspondence used to raise questions and interact with each other to clarify understanding, improve analytical skills, and place course materials in context. Note in particular the following Canvas links:

- *Assignments* – Under the *Assignments* link you can find weekly (or more frequent) messages that describe what we are working on and what is coming up.
- *Pages* – Under the *Pages* link you can find FAQs about the mechanics of the course.
- *Files* – Under the *Files* link you can find weekly summaries of material covered each week.
- *Discussions* – The *Discussions* link is the place for students to engage in threaded discussions with other students and the instructor about course material. You are encouraged initiate to threaded discussions and to respond to the threaded discussions initiated by others.

The course also has five types of assignments that together help you master material with increasing independence:

- Chapter Homeworks (located on the course MyLab site)
- Chapter Quizzes (located on the course MyLab site)
- Excel Projects (located on the course MyLab site)
- Cumulative Assessments (located on the course MyLab site)
- Economic Case Studies (located on the course Canvas website under the *Assignments* link)

These assignment types are described below in detail. For details on the mechanics for completing these assignments, see the course FAQs under the Canvas *Pages* link.

GRADES

The course grade will be calculated by averaging the scores of all Chapter Homeworks, Chapter Quizzes, Excel Projects, Cumulative Assessments, and Economic Case Studies using the following weights:

- 17 Homeworks (lowest 4 dropped)4%
- 17 Quizzes (lowest 4 dropped)8%
- 18 Excel Projects (lowest 4 dropped).....8%
- Cumulative Assessment 1* 12%
- Cumulative Assessment 2* 24%
- Cumulative Assessment 3** 36%
- 3 Economic Case Studies (lowest 1 dropped).....8%

* This assignment can be dropped. See details below.

** This assignment will take place during the final examination period.

All “official” grades (that is, grades used directly in the calculation of the course grade) are expressed using a 100-point scale carried to at least two decimal places and will be reported on the course’s Canvas website. Note however that raw scores for all MyLab work can also be found on the MyLab website.

To calculate the course grade, the above weights will be used to generate a course average rounded to the nearest whole integer. Thus, for example, a course average of 79.49 will be rounded to 79 while a course average of 79.50 will be rounded to 80. Then the course grade will be assigned using the following scale:

- A 94-100
- A- 90-93
- B+ 87-89
- B 84-86
- B - 80-83
- C+ 77-79
- C 74-76
- F 0-73

CHAPTER HOMEWORKS

The purpose of the Chapter Homeworks is to help students to learn new material. As a result, there are no time constraints (other than due dates) and students may take each Chapter Homework as many times as they wish (again subject to due dates). Be sure to note:

- Each Chapter Homework is located on the MyLab website and must be submitted by 11:59 pm on its due date. Chapter Homeworks may be submitted early.
- Before the due date, each Chapter Homework may be submitted as many times as desired. If a Chapter Homework is submitted more than once, the score associated with the **last** submission (**not** the best submission) will be used for calculating the course grade.
- Chapter Homework submissions are not accepted after the due date for any reason.
- There are no make-ups for Chapter Homeworks. However, to allow for circumstances that may result in a missed Chapter Homework or poor performance, the 4 lowest Chapter Homework scores will be dropped before the Chapter Homework average is calculated.

CHAPTER QUIZZES

The purpose of the Chapter Quizzes is to help students begin the transition to being able to integrate their knowledge and skills and use them at will. As a result, while there are no time constraints (other than due dates), students may take each Chapter Quiz one or two times (again subject to due dates). Be sure to note:

- Each Chapter Quiz is located on the MyLab website and must be submitted by 11:59 pm on its due date. Chapter Quizzes may be submitted early.
- Before the due date, each Chapter Quiz may be submitted one or two times as desired. If a Chapter Quiz is submitted 2 times, the score associated with the **last** submission (**not** the best submission) will be used for calculating the course grade.
- Chapter Quiz submissions are not accepted after the due date for any reason.
- There are no make-ups for Chapter Quizzes. However, to allow for circumstances that may result in a missed Chapter Quiz or poor performance, the 4 lowest Chapter Quiz scores will be dropped before the Chapter Quiz average is calculated.

EXCEL PROJECTS

The purpose of the Excel Projects is to help students learn to do quantitative analysis linked to the economic concepts and tools developed in the course. As a result, there are no time constraints (other than due dates), and students may submit each Excel Project as many times as they wish (again subject to due dates). Be sure to note:

- Each Excel Project is located on the MyLab website and must be submitted by 11:59 pm on its due date. Excel Projects may be submitted early.
- Before the due date, each Excel Project may be submitted as many times as desired. If an Excel Project is submitted more than once, the score associated with the **last** submission (**not** the best submission) will be used for calculating the course grade.
- Excel Project submissions are not accepted after the due date for any reason.
- There are no make-ups for Excel Projects. However, to allow for circumstances that may result in a missed Excel Project or poor performance, the 4 lowest Excel Project scores will be dropped before the Excel Project average is calculated.

CUMULATIVE ASSESSMENTS

The purpose of the Cumulative Assessments is to give students feedback on the state of their understanding and ability to use in a timely fashion the knowledge and skills acquired in the course. As a result, each Cumulative Assessment is based on all course material covered up to the date of the Cumulative Assessment, must be completed in a fixed amount of time, and can only be taken once. Be sure to note:

- Each Cumulative Assessment is located on the MyLab website and must be taken during the assigned period. The assigned period begins at 12:01 am on the first day of the assigned period and ends at 11:59 pm on the last day of the assigned period.
- Each Cumulative Assessment can be taken anytime within the assigned period. However, it can only be taken 1 time and must be taken at a single sitting (1.5 hours for the first two Cumulative Assessments; 3.0 hours for the third Cumulative Assessment).
- Drops:
 - The 1st Cumulative Assessment grade will be dropped and replaced by the 2nd or 3rd Cumulative Assessment grade if the 2nd or 3rd Cumulative Assessment grade is higher than the 1st Cumulative Assessment grade. If both the 2nd and 3rd Cumulative Assessment grades

- are higher than the 1st Cumulative Assessment grade, the 1st Cumulative Assessment grade will be replaced by whichever of those later Cumulative Assessments (the 2nd and the 3rd) is higher.
- The 2nd Cumulative Assessment grade will be replaced by the 3rd Cumulative Assessment grade if the 3rd Cumulative Assessment grade is higher than the 2nd Cumulative Assessment grade.
 - The 3rd Cumulative Assessment grade cannot be dropped.
 - There are no make-ups for the 1st and 2nd Cumulative Assessment.
 - Students who cannot take the 3rd Cumulative Assessment at the scheduled time due to **extreme circumstances** that are **beyond their control** may petition to have the 3rd Cumulative Assessment rescheduled. In such circumstances, students should contact the instructor **as soon as possible** and provide **tangible evidence** to support their claim. Examples of circumstances that are generally **not** justifications for rescheduling the 3rd assessment include conflicts with other courses, conflicts with work schedules, and conflicts with end-of-semester travel arrangements. Be aware that any makeup 3rd Cumulative Assessment may take a different format than the regularly scheduled 3rd Cumulative Assessment.

ECONOMIC CASE STUDIES

The purpose of the Economic Case Studies is to give students experience applying economic thinking to less defined problems that are more typical of real life than the highly structured problems that are typically presented in textbooks. Be sure to note:

- Each Economic Case Study is located on the course Canvas website along with detailed instructions.
- Each Economic Case Study should be typed and submitted by electronically by 11:59 pm on its due date. Economic Case Studies may be turned in early.
- Graphs should preferably be created electronically (for example, using the MSWord draw utility). However, hand-drawn graphs are permissible. If graphs are drawn by hand, scan the graphs and include them in the submission.
- Economic Case Studies are not accepted after the due date for any reason.
- There are no make-ups for Economic Case Studies. However, to allow for circumstances that may result in a missed submission or poor performance, the lowest Economic Case Study score will be dropped before the Economic Case Study average is calculated.

ATTENDANCE POLICY

FOR ONLINE SECTION – Because there are no face-to-face meetings, there is no attendance policy.

FOR FACE-TO-FACE SECTIONS – While class time is designed to be of value to students, the decision to attend is ultimately the student's to make. However, instructor notes will not be provided for students who did not attend.

COMPORMENT

Each student is expected to comply with the *UNCG Academic Integrity Policy* (<http://academicintegrity.uncg.edu/complete/>) and is required to sign the Academic Integrity Policy on all major work submitted for the course. In addition, Bryan Faculty and students in this course are expected to adhere to the Bryan School's *Guidelines for Ethical and Professional Behavior of Students*

and Faculty (<https://bryan.uncg.edu/wp-content/uploads/2017/08/Faculty-and-Student-Guidelines-2018-2019.pdf>)

TOPICAL OUTLINE/CALENDAR

The calendar below provides an outline of course topics, associated readings, and due dates for graded material. If the university cancels classes, due dates for assignments will not change unless notified by an announcement on the course Canvas website. In addition, be aware that the day of the week that each assignment may vary. As a result, you should double check the due date for each assignment to make sure you complete and submit them on time.

BASICS

WEEK 1: Introduction & the Model of Supply & DemandJan 13-19

- Readings: Perloff & Brander, Chapters. 1 & 2
- Assignments: Due Jan 23 (Thu)
 - Chapter 0 Homework
 - Chapter 0 Quiz
 - Chapter 1 Homework
 - Chapter 1 Quiz
 - Chapter 2 Homework
 - Chapter 2 Quiz
 - Chapter 2 Excel Project 1: Problem 8-2
 - Chapter 2 Excel Project 2: Problem 8-3

WEEK 2: Consumer ChoiceJan 20-26

- Readings: Perloff & Brander, Chapter 4
- Assignments: Due JAN 26 (Sun)
 - Chapter 4 Homework
 - Chapter 4 Quiz
 - Chapter 4 Excel Project 1: Problem 8-1
 - Chapter 4 Excel Project 2: Problem 8-2

Special Note: No class will be held Monday evening January 20th because of the Martin Luther King Holiday. Section 1 students are welcome to attend the Section 51 face-to-face class on Wednesday January 22nd or to avail themselves of resources provided on Canvas.

WEEK 3: Production..... Jan 27 – Feb 2

- Readings: Perloff & Brander, Chapter 5
- Assignments: Due Feb 2 (Sun)
 - Chapter 5 Homework
 - Chapter 5 Quiz
 - Chapter 5 Excel Project 1: Problem 7-1
 - Chapter 5 Excel Project 2: Problem 7-2

WEEK 4: Costs..... Feb 3-9

- Readings: Perloff & Brander, Chapter 6
- Assignments: Due Feb 9 (Sun)
 - Chapter 6 Homework
 - Chapter 6 Quiz
 - Chapter 6 Excel Project 1: Problem 7-1
 - Chapter 6 Excel Project 2: Problem 7-2

CASE STUDY 1.....Due: Feb 15 (Sat)

CUMULATIVE ASSESSMENT 1 Feb 11-15 (Tue-Sat)

FIRM BEHAVIOR IN DIFFERENT ECONOMIC ENVIRONMENTS

WEEK 5: Firm Organization & Market Structure Feb 10-16

- Readings: Perloff & Brander, Chapter 7
- Assignments: Due Feb 16 (Sun)
 - Chapter 7 Homework
 - Chapter 7 Quiz
 - Chapter 7 Excel Project 1: Problem 7-1
 - Chapter 7 Excel Project 2: Problem 7-3

WEEK 6: Competitive Firms & Markets Feb 17-23

- Readings: Perloff & Brander, Chapter 8
- Assignments: Due FEB 23 (Sun)
 - Chapter 8 Homework
 - Chapter 8 Quiz
 - Chapter 8 Excel Project 1: Problem 6-1
 - Chapter 8 Excel Project 2: Problem 6-3

WEEK 7: Monopoly..... Feb 23 – Mar 1

- Readings: Perloff & Brander, Chapter 9
- Assignments: Due Mar 1 (Sun)
 - Chapter 9 Homework
 - Chapter 9 Quiz
 - Chapter 9 Excel Project 1: Problem 8-1
 - Chapter 9 Excel Project 2: Problem 8-2

WEEK 8: Pricing with Market Power Mar 9-15

- Readings: Perloff & Brander, Chapter 10
- Assignments: Due Mar 15 (Sun)
 - Chapter 10 Homework
 - Chapter 10 Quiz
 - Chapter 10 Excel Project 1: Problem 9-1
 - Chapter 10 Excel Project 2: Problem 9-3

WEEK 9: Oligopoly & Monopolistic Competition Mar 16-22

- Readings: Perloff & Brander, Chapter 11
- Assignments: Due Mar 22 (Sun)
 - Chapter 11 Homework
 - Chapter 11 Quiz
 - Chapter 11 Excel Project 1: Problem 6-1
 - Chapter 11 Excel Project 2: Problem 6-2

WEEK 10: Game Theory & Business Strategy..... Mar 23-29

- Readings: Perloff & Brander, Chapter 12
- Assignments: Due Mar 29 (Sun)
 - Chapter 12 Homework
 - Chapter 12 Quiz

CASE STUDY 2.....Due: Apr 4 (Sat)

CUMULATIVE ASSESSMENT 2 Mar 31-Apr 4 (Tue-Sat)

SPECIAL ISSUES

WEEK 11: Strategies over Time Mar 30 – Apr 5

- Readings: Perloff & Brander, Chapter 13
- Assignments: Due Apr 5 (Sun)
 - Chapter 13 Homework
 - Chapter 13 Quiz

WEEK 12: Decision Making under Uncertainty Apr 6-12

- Readings: Perloff & Brander, Chapter 14
- Assignments: Due Apr 12 (Sun)
 - Chapter 14 Homework
 - Chapter 14 Quiz

WEEK 13: Asymmetric Information..... Apr 13-19

- Readings: Perloff & Brander, Chapter 15
- Assignments: Due Apr 19 (Sun)
 - Chapter 15 Homework
 - Chapter 15 Quiz

WEEK 14: Government & Business..... Apr 20-26

- Readings: Perloff & Brander, Chapter 16
- Assignments: Due Apr 26 (Sun)
 - Chapter 16 Homework
 - Chapter 16 Quiz

WEEK 15: Global Business Apr 27-29

- Readings: Perloff & Brander, Chapter 17
- Assignments: Due Apr 29 (Wed)
 - Chapter 17 Homework
 - Chapter 17 Quiz

CASE STUDY 3..... Due: May 1 (Fri)

CUMULATIVE ASSESSMENT 3May 2-6 (Sat-Wed)