









# Managerial Economics

## ECP 3703




### Instructor Info —

-  Dr. Fatma B. Gunay
-  Office Hrs: T & Th 4pm - 5pm
-  MAT 327
-  fgunay@ufl.edu

### Course Info —

-  Prereq: ECO 2023 and MAC 2233
-  T, Th
-  Period 7 - 8 1:55 pm - 3:50 pm
-  MAT 18

### TA Info —

-  Qiushi Hua
-  Office Hrs: TBD
-  huaqiushi@ufl.edu

### Overview

Managerial Economics builds upon foundational models of supply and demand, consumer theory, firm behavior, and production concepts. This course delves into diverse subjects, including market structures, strategic pricing and output determination, game theory and its application in pricing strategies, and the economic dimensions of information economics. By the end of the semester, students will possess the proficiency to adeptly wield economic analytical tools, effectively addressing an array of real-world predicaments and deriving substantiated insights from their analyses.

Managerial Economics is a mandatory component of the Economics minor curriculum. Students pursuing an Economics major are ineligible to enroll in or receive credit for this course due to its substantial overlap with Intermediate Microeconomics. This course serves as a designated substitution for Intermediate Microeconomics within the Economics minor program.

### Material

#### Required Texts

This course is participating in UF All Access, which is a program designed to provide the most affordable option for materials to everyone in this course. Please check the last page of the syllabus for detailed instructions on how to opt-in to UFAllAccess. The required course material is *The Economics of Managerial Decisions*, by Blair and Rush and will be delivered digitally through Access Pearson .

Additional readings will be provided on Canvas.

#### Recommended Text

Mansfield, E., Allen, W. B., Doherty, N. A., & Weigelt, K. *Managerial Economics Theory, Applications, and Cases*. 8th Edition. WWNorton.

### Lectures

ECP3703 Managerial Economics will be conducted in a face-to-face format and will take place in room MAT18. Additionally, recorded lectures from the previous academic year will be made available on YouTube. This dual approach aims to provide flexibility while ensuring access to course content. It is important to note that in-person attendance is mandatory and fundamental to the learning experience. Recorded lectures are supplementary and cannot substitute for the in-class interactions and discussions.

While in-person attendance is required for enriched engagement and interaction, we recognize that circumstances may arise requiring absences. In such cases, students with an excused absence will be granted access to course materials. It is the student's responsibility to communicate and justify the absence to the instructor prior to the absence occurrence.

As in all courses, unauthorized recording and unauthorized sharing of recorded materials is prohibited.

## Exam Policies

The course will include three in-class exams. These exams are scheduled for the following dates:

- September 26
- November 31
- December 5

Each exam will encompass a range of assessment formats, including multiple-choice questions, short answer questions, and problems. It is important to note that the exams are not comprehensive; they will focus on the material covered since the previous exam.

To aid your preparation, a practice test will be provided before each exam. The practice test are designed to help you familiarize yourself with the assessment formats and types of questions that will be presented.

During the examinations, students are permitted to use a simple scientific calculator (graphing calculators are not allowed). Additionally, you are allowed a 1-sided, hand-written, 3x5 cheat sheet to assist you during the exam.

Make-up exams will only be granted under exceptional circumstances, with approval from the instructor *prior to the exam date*. Valid reasons for requesting a make-up exam include substantiated academic conflicts, religious observances, or unforeseen emergencies. Such cases will be reviewed on an individual basis.

Exam papers will be graded within a week following the examination date. The results will be promptly announced on the Canvas, allowing you to receive timely feedback on your performance.

Your diligence and commitment to your studies are essential for success in this course. If you have any inquiries or require further clarifications regarding the assessment process, please do not hesitate to contact the instructor.

## Grading Scheme

|     |                      |
|-----|----------------------|
| 60% | Exams, 20% each      |
| 20% | Homework Assignments |
| 10% | Quizzes              |
| 10% | Group Homework       |

Grades will follow the following scale. Curving is at the discretion of the professor.

| Points       | Grade |
|--------------|-------|
| 95 and above | A     |
| 92-94.99     | A-    |
| 88.5-91..99  | B+    |
| 82.5-88.49   | B     |
| 80-82.49     | B-    |
| 78.5-79.99   | C+    |
| 73.50-78.49  | C     |
| 70.00-73.49  | D     |
| 0-69.99      | E     |

## Homework Assignments

Throughout the duration of the course, you will be assigned weekly assignments to be completed over the weekend. These assignments will be made available every Thursday at 7:00 PM and are due for submission on the following Tuesday at 9:00 AM. It is imperative that you adhere to these due dates as outlined.

We will be utilizing an online platform named "MyLab" for assignment management and submission. In order to access and complete these assignments, each student is required to have an individual subscription to this service. "MyLab" will serve as the designated platform for both posting and submitting your assignments. One of the advantages of the "MyLab" system is its capability to provide instantaneous feedback following the submission of your assignments. This feature enables you to promptly gauge your performance and address any areas that may require further attention.

Over the course of the semester, you will complete a total of 14 assignments. At the conclusion of the term, the lowest grade among these assignments will be dropped, offering you the opportunity to alleviate any undue pressure resulting from potential setbacks.

Please recognize the importance of punctual assignment submission and the utilization of the designated online system. The structure of these assignments is intended to enhance your understanding of the course material and contribute to your overall success. Should you have any questions or need clarifications regarding the assignment process, please feel free to contact the instructor.

## Quizzes

Throughout the semester, there will be weekly quizzes held either during the Tuesday or Thursday in-class sessions. These quizzes will exclusively cover the material discussed during the respective week's lectures. Attentive participation in lectures is sufficient to excel, as the quiz questions will directly reflect the lecture content. At the end of the semester, I am going to drop the lowest quiz grade among the 14 total quizzes administered. This accommodation provides a safety net in case of unforeseen challenges.

Your quizzes will be evaluated by our Teaching Assistant, Qiushi, within one week of submission.

## Group Homework

A group homework assignment is scheduled for submission on December 1st at 9:00 AM. You will have an estimated two-week period to collaborate on this assignment. Prior to the release of the group homework questions, it is your responsibility to identify your group members. Each group can have 4 or 5 students. Should you require assistance in forming a group, please inform Qiushi, so that appropriate arrangements can be made.

## Accommodations for Students with Disabilities

If you have a disability and need accommodations please be sure to contact the Disability Resource Center right away so they can help you get the accommodations you require. If you will need to use any accommodations in this class, please talk with me early so you can have the best possible experience this semester. For more specific information visit <https://disability.ufl.edu>

## Academic Integrity

The University of Florida maintains high standards for academic integrity in order to provide the students the best quality education. An online copy of the academic honor policy can be found at Student Honor Code. Students are expected to be familiar with the Code and to recognize that their work in the course is to be their own original work that truthfully represents the time and effort applied.

Maintaining the integrity of your academic work is of utmost importance in this course. It is imperative that you refrain from seeking external assistance, including the use of online tutoring websites. Please be aware that these platforms, which I will not name here, are known to collaborate with educational institutions by sharing user data.

I want to emphasize that you are expected to complete assignments and assessments independently, relying solely on your own understanding and efforts. If you encounter challenges or require clarification, I strongly encourage you to reach out to me for guidance. Upholding academic honesty not only reflects your commitment to your education but also contributes to a

fair and equitable learning environment for all students.

I would like to remind you one more time that the Honor Pledge below applies to any course work you are assigned:

We, the members of the University of Florida community, pledge to hold ourselves and our peers to the highest standards of honesty and integrity.

On all work submitted for credit by students at the university, the following pledge is either required or implied: On my honor, I have neither given nor received unauthorized aid in doing this assignment.

## Diversity and Inclusion

I would like to create a learning environment for my students that supports different perspectives, thoughts, experiences, and identities. To help me accomplish this, please let me know if you have a name / set of pronouns that differ from the official UF records. If you believe that your performance in the classroom is being affected by outside factors, do not hesitate to contact me in person, electronically or even anonymously.

## Course Evaluations

Students are expected to provide professional and respectful feedback on the quality of instruction in this course by completing course evaluations online via GatorEvals. Students will be notified when the evaluation period opens, and can complete evaluations through the email they receive from GatorEvals, in their Canvas course menu under GatorEvals, or via [ufl.bluera.com/ufl/](http://ufl.bluera.com/ufl/). Summaries of course evaluation results are available online.

## Use of Course Materials

Students are allowed to record video or audio of class lectures. However, the purposes for which these recordings may be used are strictly controlled. The only allowable purposes are (1) for personal educational use, (2) in connection with a complaint to the university, or (3) as evidence in, or in preparation for, a criminal or civil proceeding. All other purposes are prohibited. Specifically, students may not publish recorded lectures without the written consent of the instructor.

A "class lecture" is an educational presentation intended to inform or teach enrolled students about a particular subject, including any instructor-led discussions that form part of the presentation, and delivered by any instructor hired or appointed by the University, or by a guest instructor, as part of a University of Florida course. A class lecture does not include lab sessions, student presentations, clinical presentations such as patient history, academic exercises involving solely student participation, assessments (quizzes, tests, exams), field trips, private conversations between students in the class or between a student and the faculty or lecturer during a class session.

Publication without permission of the instructor is prohibited. To "publish" means to share, transmit, circulate, distribute, or provide access to a recording, regardless of format or medium, to another person (or persons), including but not limited to another student within the same class section. Additionally, a recording, or transcript of a recording, is considered published if it is posted on or uploaded to, in whole or in part, any media platform, including but not limited to social media, book, magazine, newspaper, leaflet, or third party note/tutoring services. A student who publishes a recording without written consent may be subject to a civil cause of action instituted by a person injured by the publication and/or discipline under UF Regulation 4.040 Student Honor Code and Student Conduct Code.

## Class Schedule

| MODULE 1              | Economic Foundations  |   |            |
|-----------------------|---|---|------------|
| Week 1 (8/23-8/27)    | Managerial Economics and Decision Making                                | Ch 1 (BR)<br>Reading 1, 2, and 3<br>Worksheet 1, 2    | HW1, Quiz1 |
| Week 2 (8/28-9/3)     | Demand and Supply   | Ch 2 (BR)<br>Reading 8<br>Reading 4, 5<br>Worksheet 3 | HW2, Quiz2 |
| Week 3 (9/5-9/10)     | Government Intervention   | Worksheet 4, 5  | HW3, Quiz3 |
| Week 4 (9/11-9/17)    | Government Intervention - Open Market                                   | Worksheet 6, 7  | HW4, Quiz4 |
| Week 5 (9/18-9/24)    | Production and Costs<br>Review of Module 1                              | Ch 4 (BR)<br>Worksheet 8, 9                           | HW4, Quiz4 |
| 9/26                  | EXAM I  |   |            |
| MODULE 2              | Market Structure and Strategy   |   |            |
| Week 6 (9/25-10/1)    | Perfect Competition   | Ch 5 (BR)<br>Worksheet 10                             | HW5, Quiz5 |
| Week 7 (10/2-10/8)    | Monopoly  | Ch 6 (BR)<br>Reading 6, 7<br>Worksheet 11             | HW6, Quiz6 |
| Week 8 (10/9-10/15)   | Monopolistic Competition  | Ch 6 (BR)   | HW7, Quiz7 |
| Week 9 (10/16-10/22)  | Advanced Pricing Decisions<br>(1st and 3rd Degree Price Discrimination) | Ch 10(BR)<br>Reading 8<br>Worksheet 13                | HW8, Quiz8 |
| Week 10 (10/23-10/29) | Advanced Pricing Decisions<br>(2nd Degree Price Discrimination)         | Ch 10(BR)<br>Reading 8<br>Worksheet 14                | HW8, Quiz8 |
| 10/31                 | EXAM 2  |   |            |

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**MODULE 3****Strategic Behavior**

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|--|--|---|--------------------------------|
| Week 11 (10/30-11/5)                               | Cartels  | Ch 7 (BR)<br>Reading 9                    | HW10, Quiz10                   |
| Week 12 (11/6-11/12)                               | Oligopoly (Bertrand, Cournot, Stackelberg)           | Ch 7 (BR)<br>Worksheet 15                 | HW11, Quiz11                   |
| Week 13 (11/13-11/19)                              | Game Theory and Oligopoly                            | Ch 8 (BR)<br>Reading 10<br>Worksheet 16   | HW12, Quiz12                   |
| THANKSGIVING BREAK (NO CLASS ON NOV 21st and 23rd) |  |   |                                |
| Week 14 (11/27-12/3)                               | Game Theory and Oligopoly (Cont'd)<br>Repeated Games | Ch 8 (BR)<br>Ch 8 (BR)<br>Worksheet 17,18 | HW13, Quiz13<br>HW14, Group HW |
| Week 15 (12/4-12/6)                                | Review of Module 3                                   |   | Quiz14                         |
| 12/5   | EXAM 3   |   |                                |

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