# DISCIPLINE SYLLABUS

## 1. Program Information

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|---|---|
| 1.1 Higher-Education Institution | "Lucian Blaga" University of Sibiu |
| 1.2 Faculty | Economic Sciences |
| 1.3 Department | Management, Marketing and Business Administration |
| 1.4 Study Domain | Management |
| 1.5 Study Level | Master |
| 1.6 Study Program / Qualification | Business Management |

## 2. Discipline Information

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|---|---|---|---|---|---|---|---|
| 2.1 Discipline name | | | | **Managerial Economics** | | | |
| 2.2 Course Teacher | | | | Associate Professor Ph.D. Cristina Tănăsescu | | | |
| 2.3 Seminar Teacher | | | | Teaching Assistant Ph.D. Cristina Popa | | | |
| 2.4 Year of Study | I | 2.5 Semester | I | 2.6 Evaluation Type | E | 2.7 Discipline Type | C |

## 3. Estimated Total Time (hours/semester for teaching activities)

| | | | | | |
|---|---|---|---|---|---|
| 3.1 Hours/Week | 4 | Out of which: 3.2 course | 2 | 3.3 seminar/laboratory | 2 |
| 3.4 Total hours from learning plan | 56 | Out of which: 3.5 course | 28 | 3.6 seminar/laboratory | 28 |

| Learning time schedule | Hours |
|---|---|
| Learning by using course materials, references and personal notes | 56 |
| Additional learning by using library facilities, electronic databases and on-site information | 40 |
| Preparing seminars/laboratories, homework, portfolios and essays | 56 |
| Tutorial activities | 4 |
| Exams | 4 |
| Other activities ..... | |

| | |
|---|---|
| 3.7 Total individual study hours | 160 |
| 3.9 Total hours per semester | 216 |
| 3.10 ECTS | 8 |

## 4. Preconditions (if needed)

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| 4.1 curriculum | - |
| 4.2 competences | - |

## 5. Conditions (if needed)

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|---|---|
| 5.1. course related | - |
| 5.2. seminar/laboratory related | - |

## 6. Developed competences

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|---|---|
| Professional | • Identify and apply principles of effective managerial decisions making;<br>• Distinguish between short-run and long-run production decisions;<br>• Describe demand, supply, costs, productivity, the nature of industry and different types of competition;<br>• Identify the cost drivers, examples of network and network externalities, conditions for a contestable market;<br>• Explain the role of the profit in a market economy;<br>• Explain the four basic properties of a consumer's preference ordering and their ramifications for a consumer's indifference curves;<br>• Apply the five forces framework to analyze the sustainability of an industry's profits;<br>• Apply present value, marginal analysis, cost and revenue functions, to identify the optimal managerial decisions;<br>• Calculate alternative measures of industry structure, conduct and performance;<br>• Illustrate how actions like 'buy one, get one free' deals and certificates impact on a consumer's purchase decisions. |
| Transversal | • Communication and language skills;<br>• Team work;<br>• Ethical and responsible behavior. |

## 7. Course objectives (resulted from developed competencies)

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| 7.1 Main course objective | The main objective of Managerial Economics is to provide students with a basic understanding of the economic theory and analytical tools that can be used in decision making problems. |
| 7.2 Specific course objectives | • To develop students' capacity to analyze the economic environment in which business entities operate and understand how managerial decisions can vary under different constraints that each;<br>• To apply modern principles and methods of microeconomics to real-world business problems in different contexts and eventually better deal with problems of practical relevance to managers;<br>• To teach students to use economic models, to isolate the relevant elements of a managerial problem, identify their relationships, and formulate them into a managerial model to which decision making tools can be applied. |

## 8. Content

| **8.1 Course** | Teaching methods | Observation |
|---|---|---|
| Introduction to Managerial Economics | Explaining; Debating; Demonstrating; Case studies; Team work | |
| The Fundamentals of Managerial Economics | Explaining; Debating; Demonstrating; Case studies; Team work | |
| Market Forces: Demand and Supply | Explaining; Debating; Demonstrating; Case studies; | |

| | | |
|---|---|---|
| | Team work | |
| Quantitative Demand Analysis | Explaining; Debating; Demonstrating; Case studies; Team work | |
| The Theory of Individual Behavior | Explaining; Debating; Demonstrating; Case studies; Team work | |
| The Production Process and Costs | Explaining; Debating; Demonstrating; Case studies; Team work | |
| The Organization of the Firm | Explaining; Debating; Demonstrating; Case studies; Team work | |
| The Nature of Industry | Explaining; Debating; Demonstrating; Case studies; Team work | |
| Managing in Competitive, Monopolistic, and Monopolistically Competitive Markets | Explaining; Debating; Demonstrating; Case studies; Team work | |
| Basic Oligopoly Models | Explaining; Debating; Demonstrating; Case studies; Team work | |
| Game Theory: Inside Oligopoly | Explaining; Debating; Demonstrating; Case studies; Team work | |
| Pricing Strategies for Firms with Market Power | Explaining; Debating; Demonstrating; Case studies; Team work | |
| The Economics of Information | Explaining; Debating; Demonstrating; Case studies; Team work | |
| Advanced Topics in Business Strategy. A Manager's Guide to Government in the Marketplace | Explaining; Debating; Demonstrating; Case studies; Team work | |

**Bibliography**


- Michael R. Baye, *Managerial Economics and Business Strategy*, 7th/8th edition, McGraw Hill International Edition 2010/2013 (7th edition, 8th edition)
- David Besanko, David Dranove, Mark Shanley, Scott Schaefer, *Economics of Strategy*, John Wiley&Sons, 2010
- Luke M. Froeb, Brian T. McCann, Michael R. Ward, Mikhael Shor, *Managerial Economics. A problem solving approach*, Third Edition, South – Western Cengage Learning, 2013
- Cristopher Thomas, Charles Maurice, *Managerial Economics: Foundations of Business Analysis and Strategy*, 11th edition, McGraw Hill, 2012
- Guyot, Marc, Vrânceanu, Radu; *Economie manageriale. Theorie, cas, exercices corriges*, Gualino editeur, Lextenso editions, Paris, 2008
- Varian, Hal R., *Intermediate microeconomics*, 6e edition, De Boek, 2007
- Carlton, D., Perloff, J., *Industrial economics*, 2e edition, Groupe De Boeck, 2008

| **8.2 Seminar/laboratory** | Teaching methods | Observation |
|---|---|---|
| Introduction to Managerial Economics | Explaining; Debating; Demonstrating; Case studies; Team work | |
| The Fundamentals of Managerial Economics. Case Study: Red Team & White Team | Explaining; Debating; Demonstrating; Case studies; Team work | |
| The Fundamentals of Managerial Economics. Case Study: BlackBerry between 'Change' and 'Forward' | Explaining; Debating; Demonstrating; Case studies; Team work | |
| Market Forces: Demand and Supply. Case Study: Marks and Spencer: Past, Present and Future | Explaining; Debating; Demonstrating; Case studies; Team work | |
| Quantitative Demand Analysis. Case Study: Estimating Demand in Emerging Markets for Kodak Express | Explaining; Debating; Demonstrating; Case studies; Team work | |
| The Theory of Individual Behavior. Case Study: TiVo 2002: Consumer Behavior | Explaining; Debating; Demonstrating; Case studies; Team work | |
| The Production Process and Costs. Case Study: Ryanair – The Low Fares Airline: Whither Now? | Explaining; Debating; Demonstrating; Case studies; Team work | |
| The Organization of the Firm. Case Study: ZARA: Staying Fast and Fresh | Explaining; Debating; Demonstrating; Case studies; Team work | |
| The Nature of Industry. Case Study: Google Inc. | Explaining; Debating; Demonstrating; Case studies; Team work | |
| The Nature of Industry. Case Study: Apple's Iphone: Calling Europe or Europe Calling? | Explaining; Debating; Demonstrating; Case studies; Team work | |
| Basic Oligopoly Models. Case Study: Renault-Nissan Alliance: Success by Integration | Explaining; Debating; Demonstrating; Case studies; Team work | |
| Pricing Strategies for Firms with Market Power. Case Study: Challenges at Time Warner (I) | Explaining; Debating; Demonstrating; Case studies; Team work | |
| Pricing Strategies for Firms with Market Power. Case Study: Challenges at Time Warner (II) | Explaining; Debating; Demonstrating; Case studies; Team work | |
| Pricing Strategies for Firms with Market Power. Case Study: Philips versus Matsushita: The Competitive Battle Continues | Explaining; Debating; Demonstrating; Case studies; Team work | |

**Bibliography**


- Michael R. Baye, *Managerial Economics and Business Strategy*, 7th/8th edition, McGraw Hill International Edition 2010/2013 (7th edition, 8th edition)
- David Besanko, David Dranove, Mark Shanley, Scott Schaefer, *Economics of Strategy*, John Wiley&Sons, 2010
- Luke M. Froeb, Brian T. McCann, Michael R. Ward, Mikhael Shor, *Managerial Economics. A*

*problem solving approach*, Third Edition, South – Western Cengage Learning, 2013
- Cristopher Thomas, Charles Maurice, *Managerial Economics: Foundations of Business Analysis and Strategy*, 11th edition, McGRaw Hill, 2012

**9. Conjunction of the discipline's content with the expectations of the epistemic community, professional associations and significant employers of the specific teaching program**

- The course provides the necessary information about the use of microeconomic tools in managerial decisions. The students will achieve the basic knowledge and skills necessary to use these tools in real life situations.

**10. Evaluation**

| Activity type | 10.1 Evaluation Criteria | 10.2 Evaluation Methods | 10.3 Percentage in the Final Grade |
|---|---|---|---|
| 10.4 Course | Written exam | Final exam | 60% |
| 10.5 Seminar/laboratory | Quizzes | Evaluation during the semester | 40% |
| | Essays, case/review presentation, active participation in the seminar discussion | | |
| **10.6 Minimum performance standard** | | | |
| • The students know the main concepts, recognize them and can define them;<br>• The students understand the terminology and they can use them in an appropriate way;<br>• The students have read the minimum required bibliography. | | | |

Fill-in Date
01.10.2016

Signature of Course Teacher
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Signature of Seminar Teacher
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Department Acceptance Date
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Signature of Department Director
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