The Cameron School of Business at University of St. Thomas

1. Course Information

Course Title: Managerial Economics

Course number: MBA 5311  
Course Section: NA  
Credit. Hours: 3

Prerequisites: MBA 5302  
Days & hours:  
T/Th 3:35 – 4:45 p.m.

BlackBoard site: TBA

Note: Material covered in this class will be tested in the ETS major field test in MBA 5370/MGMT 4399.

2. Instructor Information

Name: Hassan Shirvani  
Office location: Welder 211

Office phone: 713 525 2118

Office hours: Mon/Wed 3:00-5:30 / 6:45-7:00 p.m.  
Tues/Thurs 5:00-5:30 / 6:45-7:00 p.m.

Where to leave assignments: Slip under Office Door

Emergency phone: 713 525 2100  
E-mail: shirvani@stthom.edu

Fax number: 713 525 2110

3. Course Catalog Description

This course is concerned with the application of economic concepts and principles to the formulation of optimal solutions to various business problems. As such, it should provide a solid foundation for other courses in accounting, finance, management, and marketing. The course begins with a brief review of the basic optimization techniques and then proceeds to apply these techniques to derive optimal solutions to a host of consumer and management decisions. In the process, the important theories of consumer demand and producer supply are derived and their implications discussed. The course will also place equal emphasis on the nature of markets as coordinating tools between consumers and producer, showing in particular how market structures can impact social efficiency and welfare.

4. MBA Learning Goals
The Master of Business Administration has six goals. When students complete the MBA at the University of St. Thomas:

1. They will be able to effectively lead and participate in a team project.
   - Objective 1: Students can demonstrate appropriate group techniques to participate in a team task that results in effective performance.
   - Objective 2: Students can demonstrate effective leadership skills in a group project.

2. They will integrate multi-disciplinary perspectives in synthesizing and analyzing information to make sound business decisions.
   - Objective 1: Students can analyze ineffective business practices that result from poorly integrated business processes.
   - Objective 2: Students can formulate sound proposals for improving integrated business processes.

3. They will recognize current trends in the global business environment and identify opportunities for competition and collaboration.
   - Objective 1: Students can identify current trends in the global business environment.
   - Objective 2: Students can formulate how these trends can generate competitive advantage.

4. They will be able to articulate ethical behavior and standards cite relevant moral theory and provide suggestions for dealing with ethical issues
   - Objective 1: Graduates can recognize the ethical issues in a business situation.
   - Objective 2: Graduates can cite relevant ethical and moral theory in a business situation.
   - Objective 3: Graduates can apply relevant Ethical and Moral theory to provide creative suggestions to address the issue in a business situation.

5. They will be able to communicate effectively
   - Objective 1: When students complete the MBA, they can deliver a professional presentation.
   - Objective 2: Graduates can produce written materials that flow logically and are grammatically correct.

6. Graduates will demonstrate understanding of perspectives and the context of business.
   - Objective 1: When students complete the MBA, they can demonstrate management specific skills and competencies.

The first five goals, related to general knowledge, are assessed using course embedded method. Goal 6, which is management specific, will be assessed employing ETS Major Fields. In addition, The CSB Comprehensive Test for the MBA program is a comprehensive test on all subjects covered in the MBA program and will be administered
in the capstone course of the MBA program. **Questions on topics from the core/required courses – including this course - will appear on the CSB Comprehensive Test.**

### 5. Course Learning Goals  
(and relationship to program goals and objectives)

Upon successful completion of this course, you will be able to:

- Understand the basic quantitative optimization techniques and become familiar with their applications in business and governmental decision making processes. (MBA Goal #2).

- Understand the importance of market structures and their regulations to social welfare and global competitiveness of business firms (MBA Goal #3).

- Communicate effectively by preparing economic projects and reports that can be used to aid business decision makers (MBA Goal #5)

### 6. Texts, Readings, Materials

Required text citation:


### 7. Instructional methods:  
(lecture, group discussion, class problem solving, case methods, team projects, etc.)

This course uses lectures and class discussions to present the required materials. While the course covers some institutional material as background information, the emphasis throughout is on quantitative analysis and problem solving. Numerous problems are assigned and solved in the classroom, often with active student participation. In addition, the students are also required to prepare individual case studies.

### 8. Technology

1) Online data retrieval and/or research.

2) Use of general productivity software (e.g., Microsoft Office) to complete

### 9. Course Tentative Schedule:

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<th>Course Calendar/Schedule</th>
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<td>Assignments of topics, exams</td>
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1. Introduction and Overview  
This section offers a general overview of the course, emphasizing the role of optimal economic decision making by individual households and business firms, as well as the importance of markets in coordinating these decisions to arrive at socially efficient allocation of resources.

2. Optimization Theory  
This section offers an introduction to the basic techniques of mathematical optimization and their applications. Attention will particularly be paid to the role of marginal analysis in economics.

3. Theory of Consumer Behavior  
This section provides a review of the theory of optimal consumer behavior, formulated in terms of the maximization of consumer preferences subject to their budget constraints. In the process, the important concepts of individual consumer and market demand curves are derived and their properties examined.

4. Theory of Producer Behavior  
This section reviews the optimal behavior of producers as they maximize their profits subject to given cost and technological constraints. In the process, the section derives the important concepts of the individual firm and market supply curves.

5. Linear Programming  
This section discusses optimization under the condition that both the objective and constraint functions are linear.

**REVIEW AND MIDTERM EXAM**

This section deals with the determination of outputs and prices in the context of perfectly competitive markets. It is shown that in such markets, scarce resources will be efficiently and optimally allocated.

7. Theory of the Market: Part II  
This section reviews the optimal behavior of producers as they maximize their profits subject to given cost and technological constraints. In the process, the section derives the important concepts of the individual firm and market supply curves.
This section deals with the determination of outputs and prices in the context of imperfectly competitive markets. It is shown that in such markets, in the absence of appropriate policies, scarce resources will not be efficiently and optimally allocated.

7. Business Forecasting

This section discusses the major business forecasting techniques.

| REVIEW AND FINAL EXAM | Week 16 |

Statement on tentativeness of schedule:

The above schedule and procedures in this course are subject to change in the event of circumstances beyond the instructor’s control.

10. Course Policies

1) Students are expected to attend every class. It is the student’s responsibility to keep informed of any announcements, syllabus adjustments, or policy changes made during scheduled classes. I maintain a blackboard site for this course and will do my best to post such announcements in a timely manner on the site. However, you are still responsible for all class announcements, not just those that get posted to the website.

2) Please turn off your cell phones and all other electronic devices before entering the class.

11. Student Grading Processes: (including weighting of factors)

There will be two exams, one midterm and one final, each worth 50% of your final grade. You can also obtain up to 5 points of extra credit by completing individual projects. If you know you will miss an exam for a legitimate reason, notify me as soon as possible, so we can make alternative arrangements. Without an explanation in advance, a make-up exam is unlikely to be allowed.

12. Available Support Services:

You can reach me during my office hours to discuss homework, lectures, or any other aspect of the class. In addition, you can reach me by phone and email, especially during the weekends prior to exams, to discuss last minute concerns about your scheduled tests.
The Cameron School of Business at University of St. Thomas

MISSION STATEMENT

The Cameron School of Business will serve students of diverse backgrounds, providing them the necessary professional skills for a changing global economy, and instilling in them a deep appreciation for ethical behavior as the hallmark of a successful and fulfilling business career. The Cameron School will provide its students a timely and comprehensive business curriculum, with opportunities for specialized study in major business fields. The faculty will provide quality teaching, as this is the core of our mission. As an extension of our teaching mission, the faculty will engage in scholarly activity and service to the University, the profession, and the community.

Academic Honesty Ethical conduct is essential to a community of scholars and students searching for truth. Anything less than total commitment to honesty and honorable conduct undermines the efforts of the entire community. Academic integrity lies at the very heart of any institution of higher learning. In the Cameron School of Business, students and faculty are expected to commit to a code that exemplifies each individual's honor and integrity. Any conduct that violates this standard and betrays the respect of others is a matter of grave concern and, accordingly, is deemed unacceptable.

Accommodations The University of St. Thomas abides by the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973, which stipulates that no student shall be denied the benefits of an education "solely by reason of her or his disability." If you have a documented disability that may impact your performance in this class and for which you may require accommodations, you must be registered with and provide documentation of your disability to Counseling and Disability Services which is located on the second floor of Crooker Center. Contact Debby Jones or Rose Signorello at 713-525-6953 or 713-525-3162.

Tutorial Services Students are encouraged to consult with tutors at the Learning and Writing Center when completing written assignments for this course. Based on the instructor’s assessment of the student’s written work, the student may be required to work with the tutors at the Learning and Writing Center to improve the student’s writing skills.

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