

Eastern Illinois University
Revised Course Proposal
ECN 4751, Managerial Economics

CGS Agenda Item: 16-64
Effective Spring 2017

Banner/Catalog Information (Coversheet)

1. ☐ New Course or ☒ Revision of Existing Course
2. Course prefix and number: ECN4751
3. Short title: Managerial Economics
4. Long title: Managerial Economics
5. Hours per week: 3 Class 0 Lab 3 Credit
6. Terms: ☐ Fall ☒ Spring ☐ Summer ☐ On demand
7. Initial term: ☐ Fall ☒ Spring ☐ Summer Year: 2017
8. Catalog course description: (3-0-3) The application of economic theory and method to managerial decision making.
9. Course attributes:

General education component: _____

☐ Cultural diversity ☐ Honors ☐ Writing centered ☐ Writing intensive ☐ Writing active

10. Instructional delivery

Type of Course:

☒ Lecture ☐ Lab ☐ Lecture/lab combined ☐ Independent study/research
☐ Internship ☐ Performance ☐ Practicum/clinical ☐ Other, specify: _____

Mode(s) of Delivery:

☒ Face to Face ☒ Online ☐ Study Abroad
☐ Hybrid, specify approximate amount of on-line and face-to-face instruction _____

11. Course(s) to be deleted from the catalog once this course is approved. none

12. Equivalent course(s): none

a. Are students allowed to take equivalent course(s) for credit? ☐ Yes ☐ No

13. Prerequisite(s): ECN 2802G or ECN 2892G or BUS 2810, or other equivalent courses subject to departmental approval.

a. Can prerequisite be taken concurrently? ☐ Yes ☒ No

b. Minimum grade required for the prerequisite course(s)? _____

c. Use Banner coding to enforce prerequisite course(s)? ☒ Yes ☐ No

d. Who may waive prerequisite(s)?

☐ No one ☒ Chair ☒ Instructor ☐ Advisor ☐ Other (specify) _____

14. Co-requisite(s): none _____

15. Enrollment restrictions

a. Degrees, colleges, majors, levels, classes which may take the course: All _____

b. Degrees, colleges, majors, levels, classes which may not take the course: None _____

16. Repeat status: ☒ May not be repeated ☐ May be repeated once with credit

17. Enter the limit, if any, on hours which may be applied to a major or minor: _____

18. Grading methods: ☒ Standard ☐ CR/NC ☐ Audit ☐ ABC/NC

19. Special grading provisions:

☐ Grade for course will not count in a student's grade point average.

☐ Grade for course will not count in hours toward graduation.

☐ Grade for course will be removed from GPA if student already has credit for or is registered in: _____

☐ Credit hours for course will be removed from student's hours toward graduation if student already has credit for or is registered in: _____

20. Additional costs to students:

Supplemental Materials or Software _____

Course Fee ☒ No ☐ Yes, Explain if yes _____

21. Community college transfer:

☐ A community college course may be judged equivalent.

☒ A community college may not be judged equivalent.

Note: Upper division credit (3000+) will not be granted for a community college course, even if the content is judged to be equivalent.

Rationale, Justifications, and Assurances (Part I)

1. ____ Course is required for the major(s) of ____
____ Course is required for the minor(s) of ____
____ Course is required for the certificate program(s) of ____
x Course is used as an elective
2. **Rationale for proposal** : This is an existing course that we wish to open up to online delivery. Online delivery will help us to accommodate graduate students in the MS in Sustainable Energy program.
3. **Justifications for (answer N/A if not applicable)**
Similarity to other courses: N/A
Prerequisites: An introductory level microeconomics course and an introductory level probability and statistics course are required to prepare students for this course, which will apply topics from microeconomics and statistics to managerial decision making.
Co-requisites: N/A
Enrollment restrictions: N/A
Writing active, intensive, centered: N/A
4. **General education assurances (answer N/A if not applicable)**
General education component: N/A
Curriculum: N/A
Instruction: N/A
Assessment: N/A
5. **Online/Hybrid delivery justification & assurances (answer N/A if not applicable)**
Online or hybrid delivery justification: The Economics Department already offers online courses and there is demand for more online courses particularly at advanced and graduate levels. Our graduate program has recently been designated “First Choice” and we wish to offer graduate level classes online in order to make the program more attractive and accessible to a broader population of students. Additionally, for a time, this course will substitute for ECN5411 in the Master of Science in Sustainable Energy program. Online delivery will allow us to serve these students within our existing scheduling constraints.
Instruction: Students will be able to access audio and/or video recordings and other instructional materials through an online course management system (e.g., D2L). Assignments, discussion postings, and quizzes/exams will be completed or submitted within the course management system and associated systems. Feedback from the instructor can be provided through phone,

email, online discussion boards, and through synchronous video chat, when applicable. All faculty who will deliver this course online are/will be OCDI (or appropriate equivalent) trained.

Integrity: The course syllabus includes a statement about academic dishonesty. EIU has software that can be utilized to ensure that students taking online exams are the person registered for the course (by using a student's webcam to record the test taker and testing environment). To deter academic misconduct by students, writing assignments will be checked automatically for plagiarism after being submitted in the course management system, where applicable.

Interaction: Lecture portions of the course will be delivered via video- and/or audio-recorded lectures posted in the online course management system. The instructor and students will be able to communicate with each other through e-mail, discussion boards, and chat functions provided by course management systems (i.e., D2L).

Model Syllabus (Part II)

Please include the following information:

1. Course number and title

ECN4751: Managerial Economics

2. Catalog description

(3-0-3) The application of economic theory and method to managerial decision making.

3. Learning objectives.

After completing this course, you will be able to:

1. Explain the economic goals of the firm and optimal decision making. (CT-1, GLG1, GLG3)
2. Describe the meaning of the "principal-agent" problem. (CT-1, RC-3, GLG1, GLG2, GLG3)
3. Apply the concepts of price elasticity, cross-elasticity, and income elasticity. (CT-5, QR-1, QR-2, GLG2)
4. Interpret the regression results (CT-3, CT-5, WR-6, QR-3, GLG1, GLG2)
5. Explain the meaning of R². (CT-3, QR-4, GLG1, GLG3)
6. Evaluate the statistical significance of the regression coefficients using the t-test and the statistical significance of R² using the F-test. (CT-3, QR-2, GLG2)
7. Show how to carry out least squares projections, and decompose them into trends, seasonal, cyclical, and irregular movements. (WR-5, QR-1, GLG2)
8. Explain the essential dilemma faced by participants in the prisoners' dilemma game and explain why many oligopolistic situations resemble the prisoners' dilemma. (CT-1, CT-4, RC-3, GLG2, GLG3)
9. Explain the key problems that arise in a market where buyers and sellers do not have the same information about a product (CT-1, CT-4, WR-6, RC-3, GLG2, GLG3).
10. Explain the concept of intellectual property (IP) and the role of government in protecting IP rights (CT-1, CT-4, WR-6, RC-3, RC-4, GLG2, GLG3)

4. Course materials.

Baye, Michael R. , Managerial Economics and Business Strategy. 8th edition.

On-line resources such as audio and video recordings, assignments and exams will be provided through the course learning management system.

5. Weekly outline of content.

Week	Chapter	Topic	Assignment
1	1	Introduction	Conceptual Videos, Technique Videos Spreadsheet 1
2	6,7	The Firm and its Goals	Conceptual Videos, Technique Videos Spreadsheet 2
3	2	Supply and Demand	Conceptual Videos, Technique Videos Spreadsheet 3
4	3	Demand Elasticity	Conceptual Videos, Technique Videos Spreadsheet 4 Exam 1
5	3	Demand Estimation and Forecasting	Conceptual Videos, Technique Videos Spreadsheet 5
6	4	The Theory and Estimation of Production	Conceptual Videos, Technique Videos Spreadsheet 6
7	5	The Theory and Estimation of Cost	Conceptual Videos, Technique Videos Spreadsheet 7
8	8	Pricing and Output Decisions: Perfect Competition and Monopoly	Conceptual Videos, Technique Videos Spreadsheet 8 Exam 2
9	9	Pricing and Output Decisions: Monopolistic Competition and Oligopoly	Conceptual Videos, Technique Videos Spreadsheet 9
10	11	Special Pricing Practices	Conceptual Videos, Technique Videos Spreadsheet 10
11	10, 12	Asymmetric Information	Conceptual Videos, Technique Videos Spreadsheet 11
12	13	Capital and Budgeting Risk	Conceptual Videos, Technique Videos Spreadsheet 12 Exam 3
13		The Multinational Corporation and Globalization	Conceptual Videos, Technique Videos Spreadsheet 13
14	14	Government and Industry	Conceptual Videos, Technique Videos Spreadsheet 14
15		Managerial Economics in Action	Conceptual Videos, Technique Videos Spreadsheet 15
16		Final	Exam 4

6. Assignments and evaluation, including weights for final course grade.

Points Possible:

	Undergrads	Grad. Students
Video Interactive Features	1,500	2,000
Spreadsheets	3,000	4,500
Exams	5,500	8,500
Total	10,000	15,000

Video Interactive Features: There are 300 questions worth 5 points each spread throughout the approximately 900 minutes of conceptual videos assigned to undergrads. There are an additional 100 questions worth 5 points each spread throughout approximately 300 minutes of graduate level conceptual videos. Since students have the ability to repeatedly watch these videos, content density is higher and repetition lower than in a regular classroom and, consequently, 3 viewings are expected of the average student.

Spreadsheets: Spreadsheets contain 200 points each worth of questions for undergrads and an additional 100 points each worth of questions for graduate students.

Exams: Exams 1,2 &3 are worth 1200 points each to undergraduates. Each has an additional 600 points worth of graduate student questions. Exam 4 is worth 1900 points to undergraduates and has an additional 1200 points worth of graduate level questions.

7. Grading scale.

	Undergrads	Grad. Students
A	8950+	13425+
B	7950 to 8949	11925 to 13424
C	6950 to 7949	10425 to 11924
D	5950 to 6949	8925 to 10424

8. Correlation of learning objectives to assignments and evaluation.

Objective	Vid. Interactive U-15%, G-13.3%	Spreadsheets U-30%, G-30%	Exams U-55%, G-57%
1. Explain the economic goals of the firm and optimal decision making. (CT-1, GLG1, GLG3)		X	X
2. Describe the meaning of the "principal-agent" problem. (CT-1, RC-3, GLG1, GLG2, GLG3)		X	X
3. Apply the concepts of price elasticity, cross-elasticity, and income elasticity. (CT-5, QR-1, QR-2, GLG2)	X	X	X
4. Interpret the regression results (CT-3, CT-5, WR-6, QR-3, GLG1, GLG2)	X	X	X

5. Explain the meaning of R ² . (CT-3,QR-4,GLG1,GLG3)		X	X
6. Evaluate the statistical significance of the regression coefficients using the t-test and the statistical significance of R ² using the F-test. (CT-3,QR-2,GLG2)		X	X
7. Show how to carry out least squares projections, and decompose them into trends, seasonal, cyclical, and irregular movements. (WR-5,QR-1,GLG2)		X	X
8. Explain the essential dilemma faced by participants in the prisoners' dilemma game and explain why many oligopolistic situations resemble the prisoners' dilemma. (CT-1,CT-4,RC-3,GLG2,GLG3)		X	X
9. Explain the key problems that arise in a market where buyers and sellers do not have the same information about a product (CT-1,CT-4,WR-6,RC-3,GLG2,GLG3).		X	X
10. Explain the concept of intellectual property (IP) and the role of government in protecting IP rights (CT-1,CT-4,WR-6,RC-3,RC-4,GLG2,GLG3)		X	X

Date approved by the department or school: September 22, 2016

Date approved by the college curriculum committee: October 7, 2016

Date approved by the Honors Council (*if this is an honors course*):

Date approved by CAA: October 27, 2016 CGS: