

BECO 4310-008: Applied Business Economics (Fall 2015)

M/W/F 10am-10:50am, Rawls Room 011

Audrey Redford

Graduate Instructor, Area of Energy, Economics & Law

Office: Rawls 139L (Area of Energy, Economics & Law Suite)
Texas Tech Plaza 308F (1901 University Ave, Bank of America Building)

Office Hours: Rawls 139L – Monday & Wednesday 9am-10am & 11am-12pm
Texas Tech Plaza 308F: by appointment (M/W/F)

Email: audrey.redford@ttu.edu (best way to reach me)

Office phone: (806) 834-7217

Course Materials: Richard B. McKenzie & Dwight R. Lee, *Microeconomics for MBAs*, 2010, 2nd Edition, Cambridge University Press. ISBN: 978-0-521-19147-0

Harvard Business School Case Studies
<https://cb.hbsp.harvard.edu/cbmp/access/38582090>

All other materials will be posted to Blackboard.

Course Description: The purpose of this course is to provide students with a better understanding of how economic analysis can be productively applied to business decisions and strategy.

Expected Learning Outcomes

After completing this course, students will be able to:

- Explain the relationship including differences between opportunity costs and accounting costs and the connections between economic profit and accounting profit;
- Explain how managers estimate demand and supply relationships and apply those estimates in common business contexts;
- Apply economic analysis to pricing strategy issues and understand the broader socioeconomic context of pricing decisions;
- Explain the reasons for the emergence of the firm, the factors that limit the size of the firm, and how the principal-agent problem affects firm performance; and
- Understand and explain the different rationales for, and contexts in which political authorities may intervene in markets and their intended and unintended impacts on business decisions.

Grading

A (Excellent)	90 – 100
B (Good)	80 – 89.9
C (Average)	70 – 79.9
D (Inferior)	60 – 69.9
F (Failure)	0 – 59.9

Your overall course average will be rounded up to the nearest tenth of a point. (An average fractionally above an 89.9 will become an A, but at an average of exactly 89.9 or below will be a B. Similarly at the grade boundaries at 79.9, 69.9, and 59.9.)

Overall Grade Breakdown

Random Quizzes:	20%
Case Study Memos:	15%
Exams:	40% (3 exams: best two at 15%, lowest at 10%)
Department Final:	5%
Final Exam:	20%

Random Quizzes: The instructor will administer unannounced quizzes periodically during the semester. Each quiz will begin promptly at 10:00 AM and end promptly at 10:05 AM. Quizzes are designed to assess student comprehension of required course materials. The best ten (10) quizzes will count towards your final grade. There will be *at least* twelve (12) quizzes administered throughout the semester. **Please note that makeup quizzes will be administered only when acceptable (as deemed by the instructor) medical documentation has been provided.**

Case Study Memos: During the semester, students will be assigned cases to read and discuss in class in the context of the chapters reviewed in class. For each class meeting in which a case will be covered and discussed, the student must turn in a case memo at the start of class. Guidelines for the format of the memo will be listed on Blackboard. Please see the course schedule for the memo due dates.

Exams: There will be three (3) “midterm” exams administered during the course of the semester. Exams will consist of multiple choice, true/false, short answer, and/or essay questions (as the instructor sees fit). Your best two (2) exams (the exams with highest scores) will count for 15% each, and your lowest exam will count for 10%.

Tentative dates for the exams are:

- Friday, September 25, 2015
- Friday, November 6, 2015
- Take-home midterm is due on Monday, November 23, 2015

(These dates are subject to change. The instructor will give advanced notice if any changes are made.)

Departmental Final: In order to assess the quality of instruction and retention of the topics discussed in BECO 4310, all students enrolled in BECO 4310 will take a short departmental final. More information will be provided regarding this assessment later in the semester.

Final Exam: The final exam will be a cumulative examination and is scheduled for **Saturday, December 5, 2015 (1:30pm - 4pm) in Rawls Room 011.**

Policy on Make-Up Exams

Make-up examinations will be administered only when acceptable (as deemed by the instructor) medical documentation has been provided. In the event that you have to miss an exam due to a university-sponsored event or a religious holy day observance, you must contact the instructor a week prior to the exam and provide them with any necessary documentation.

Policy on Late Assignments

I will not accept late assignments except when acceptable (as deemed by the instructor) medical documentation has been provided. If you will be absent due to a university-sanctioned event, or for any other reason, it is expected that you turn your assignments *prior* to class and *in-person* (whether to me personally or in my mailbox in the Energy, Economics, and Law Suite, Room 139 in Rawls). I will not accept electronic copies of any assignments.

Policy on Cell phones, Laptops and Other Electronic Devices

Laptops & tablets will be permitted in class to take notes. Cell phones should not be used by students during class, except in the case of emergencies. In the event of an emergency, please step out of the classroom to address the issue at hand. In the event that students' use of technology becomes detrimental to the classroom environment (as deemed by the instructor), the instructor will state a warning aloud to the entire class. If this disruptive behavior continues, the instructor will leave class and the students will be responsible for the material that was supposed to be covered in the remainder of the class period and will be quizzed on the material at the next class meeting. Therefore it is strongly advised that the students in the class find ways to ensure that they are holding their fellow classmates accountable.

Course Communication

Course announcements will be made in class and posted to Blackboard. The course syllabus, handouts, and selected required readings will also be posted to Blackboard.

Academic Integrity

It is the aim of Texas Tech University to foster a spirit of complete honesty and a high standard of integrity. Academic dishonesty will not be tolerated and will be treated according to the rules outlined in the Student Handbook. Please refer to Texas Tech University Operating Procedure 34.12 for more information. Thank you for upholding the integrity of the academic degree at Texas Tech University.

Disability Accommodation

Any student who, because of a disability, may require special arrangements in order to meet the course requirements should contact the instructor as soon as possible to make any necessary arrangements. Students should present appropriate verification from Student Disability Services during the instructor's office hours.

**Please note:* instructors are not allowed to provide classroom accommodations to a student until appropriate verification from Student Disability Services has been provided. For additional information, please contact Student Disability Services in 335 West Hall or by phone 806-742-2405 or by email sds@ttu.edu. Please refer to Texas Tech University Operating Procedure 34.22 for more information.

Religious Holy Day Observance

A student who intends to observe a religious holy day should make that intention known in writing to the instructor prior to the absence. A student who is absent from class for the observance of a religious holy day shall be allowed to take an examination or complete an assignment schedules for that day within a reasonable time after the absence. Please refer to Texas Tech University Operating Procedure 34.19 for more information.

**** This syllabus is subject to change as the instructor sees fit. ****

Readings and case memos are to be completed *prior* to class on each date. Any updates to the schedule will be posted on Blackboard and announced.

Course Schedule (this schedule is subject to change)		
Date	Topics to be Covered in Class	Assignments Due
AUG 24	class Introduction, Syllabus Review, Chapter 1A	
AUG 26	Chapter 1A	
AUG 28	Chapter 1A/2A	BLACKBOARD ASSESSMENT DUE
AUG 31	Chapter 2A	
SEPT 2	Chapter 2A	
SEPT 4	Chapter 3A	
SEPT 7	NO CLASS	
SEPT 9	Chapter 3A	
SEPT 11	Chapter 3A	
SEPT 14	Chapter 3A	
SEPT 16	Chapter 7A	
SEPT 18	Chapter 7A	Old Mule Farms Case memo due
SEPT 21	Chapter 3A	
SEPT 23	Chapter 3A	
SEPT 25	MIDTERM EXAM 1 (Chapters 1-3, 6-8 Part A only)	
SEPT 28	Chapter 4A	
SEPT 30	Chapter 4A	
OCT 2	Chapter 9A	
OCT 5	Chapter 9A	
OCT 7	Chapter 10A	
OCT 9	Chapter 10A	
OCT 12	Chapter 11A	
OCT 14	Chapter 11A	Dogfights Over Ryannair (A) Case memo due
OCT 16	Chapter 1B	
OCT 19	Chapter 2B	
OCT 21	Chapter 2B	Enterprise Rent-A-Car Case memo due
OCT 23	Chapter 3B	
OCT 26	Chapter 4B	
OCT 28	Chapter 4B	
OCT 30	Chapter 6B	Springfield Nor'easters Case memo due
NOV 2	Chapter 6B	
NOV 4	Chapter 7B	
NOV 6	MIDTERM EXAM 2 (Chapter 4A, 9-11A, 1-4B)	
NOV 9	Chapter 7B	Bergerac Systems Case memo due
NOV 11	Chapter 8B	
NOV 13	Chapter 8B	
NOV 16	Chapter 9B	
NOV 18	Chapter 10B	
NOV 20	Chapter 10B	Uber Case memo due
NOV 23	Chapter 11B	MIDTERM EXAM 3 DUE (Chapters 6-11B)
NOV 25	NO CLASS	
NOV 27	NO CLASS	
NOV 30	Chapter 12A	
DEC 2	Chapter 12B	
DEC 5	FINAL EXAM 1:30pm-4pm Rawls 11	