

COURSE TITLE	MANAGERIAL ECONOMICS
COURSE CODE	04MI0101
COURSE CREDITS	3

Course Outcomes: After completion of this course, student will be able to:

- 1 Evaluate various economic strategies and their effectiveness in enhancing organizational efficiency and profitability in different market scenarios.
- 2 Demonstrate the impact of market equilibrium on pricing and resource allocation.
- 3 Analyze how economic principles such as opportunity cost, marginal analysis, and elasticity influence managerial decisions
- 4 Evaluate the cost-benefit implications of hiring versus outsourcing in different economic scenarios.
- 5 Design a decision-making model that incorporates key economic indicators relevant to managerial strategy.

Pre-requisite of course: Proficiency in basic economics (micro & macro), introductory statistics or quantitative methods, and algebraic reasoning

Teaching and Examination Scheme

Theory Hours	Tutorial Hours	Practical Hours	ESE	IA	CSE	Viva	Term Work
3	0	0	50	30	20	0	0

Contents : Unit	Topics	Contact Hours
1	Introduction to Economics Meaning of Economics- Microeconomics and Macroeconomics, Importance of Managerial Economics- Market Economies- Production Possibility Frontier- The Demand Curve- Factors that Affect Demand- The Supply Curve- Factors that affect Supply	6
2	Demand, Supply & Equilibrium The Equilibrium - Divergence from the Equilibrium Price- Effects of changes in business environment on the equilibrium, Price Elasticity of Demand and Supply- Income Elasticity and Cross Price Elasticity- Factors that affect the elasticity of demand- Taxes in the demand-supply Framework- Buyers and Sellers surplus- Government Intervention in the market: The Welfare Loss	9
3	Production Cost The Production Function- Behaviour of Average and Marginal Products- Law of Diminishing Returns- Productivity in the Long Run- Scale and Scope of Production, Costs of Different types- Behaviour of average and marginal costs- Relationship between costs and productivity- Costs in the long run	9

Contents : Unit	Topics	Contact Hours
4	Market Structures Markets of Different types- Perfectly Competitive Market- Profits in a perfectly competitive Market, Profits in a perfectly competitive Market- Perfect competition in the long run- Monopoly- Profits in a monopolistic market- Sources of Monopoly Power- The Multi-product firms- Monopolistic Competition- Oligopoly- Different Models of Oligopoly- Why do markets Fail- Game Theory: a strategic understand	9
5	Macroeconomic Principles Key concepts and indicators-Factors influencing Economic Growth- Business Cycles: Phases and characteristics, Economic indicators; Unemployment and Inflation, Measuring inflation (CPI and PPI); Fiscal Policy: Government spending and taxation, Budget deficits and public debt-Monetary Policy: Objectives and effectiveness, Tools of Monetary Policy; Inflation and Monetary Policy: Causes of inflation, Strategies for controlling inflation, International Trade and Finance: Balance of payments, Exchange rates and trade policies Globalization and Trade: Benefits and challenges, Trade agreements and tariffs- Environmental Economics, Economic impact of environmental policies, Sustainability and resource management; Behavioural Economics: Insights from psychology, Implications for policy and business; Future Trends in Economics: Technology and the economy, Emerging issues in economic policy	12
Total Hours		45

Textbook :

- 1 Principle of Economics, N. Gregory Mankiw, Cengage Learning Custom Publishing, 2024
- 2 Microeconomics, Pindyck, Robert S., and Rubinfeld, Daniel L , Pearson , 2019

References:

- 1 Managerial Economics, Managerial Economics, Geetika Piyali Ghosh and Purba Roy Choudhury, Mc Graw Hill Education, 2020

Suggested Theory Distribution:

The suggested theory distribution as per Bloom's taxonomy is as follows. This distribution serves as guidelines for teachers and students to achieve effective teaching-learning process

Distribution of Theory for course delivery and evaluation					
Remember / Knowledge	Understand	Apply	Analyze	Evaluate	Higher order Thinking / Creative
10.00	10.00	25.00	20.00	20.00	15.00

Instructional Method:

- 1 Lectures, case studies, group discussions, problem-solving sessions,

Supplementary Resources:

- 1 <https://www.coursera.org/courses?query=managerial%20economics&utm>
- 2 <https://www.getyoureducation.net/course/managerial-economics-1>