

Module Title:	Managerial Economics
Language of Instruction:	English
Credits:	10
NFQ Level:	7
Module Delivered In	4 programme(s)
Teaching & Learning Strategies:	Lectures - communication of knowledge and ideas from the lecturer to the student. Problem Solving Exercises - student will work to resolve various managerial economic scenarios. Class Discussion/Debate - Students will be encouraged to actively participate in the class sessions which will develop their analytical and communication skills. E-Learning - It is envisaged that the module will be supported with on-line learning materials. Self-Direct Independent Learning - the emphasis on independent learning will develop a strong and autonomous work and learning practices.
Module Aim:	This module aims to; (i) Explore key concepts in managerial economics to develop students' knowledge and understanding of the microeconomic and macroeconomic business environment. (ii) Provide students with an appreciation of the vital importance of economic information in managerial decision-making. (iii) Inform students of the sources of economic, business and financial information. (iv) Enable students to analyse economic and financial information and draw conclusions from it in the context of problems facing a typical firm. (v) Develop decision-making skills in students by the application of economic and business concepts to business problems.
Learning Outcomes	
<i>On successful completion of this module the learner should be able to:</i>	
LO1	Discuss the increasing importance of globalisation and evaluate its impact on firms;
LO2	Examine Managerial Decision making under the environments of certainty, risk and uncertainty;
LO3	Evaluate pricing strategies and analyse consumer demand;
LO4	Explain and critique theories of firm behaviour and analyse the market structures that firms operate in;
LO5	Assess the role of government in business.
Pre-requisite learning	
Module Recommendations <i>This is prior learning (or a practical skill) that is recommended before enrolment in this module.</i>	
No recommendations listed	
Incompatible Modules <i>These are modules which have learning outcomes that are too similar to the learning outcomes of this module.</i>	
No incompatible modules listed	
Co-requisite Modules	
No Co-requisite modules listed	
Requirements <i>This is prior learning (or a practical skill) that is mandatory before enrolment in this module is allowed.</i>	
Economics 1	

Module Content & Assessment

Indicative Content
<p>Globalisation and the Firm (Helping managers with International Diversification Plans) (20%) History of the world economy; What is globalisation? Key economic drivers of globalisation; Forces attracting firms to locate globally; How to measure globalisation? Economic and business implications of globalisation for managers.</p>
<p>Understanding Managerial Decision Making & Information under the environments of certainty, risk, and uncertainty. (16%) Concepts of risk, certainty and uncertainty in managerial decision making; Managerial Decision criterion under certainty; Managerial Decision criterion under risk, (Expected Values, Measuring Risk); Managerial Decision criterion under uncertainty (Wald, Hurwicz Alpha, Savage and Laplace criterion); Reduction of Uncertainty; Using Decision Trees & Decision (Payoff)Matrices.</p>
<p>Pricing Strategies (12%) Pricing Objectives; Generic Pricing Strategies (Marginal Cost Pricing, Incremental Pricing, Breakeven pricing and Mark-up Pricing); Specialist forms of Pricing (Bundling, Joint Products & Profit Centers and Transfer Pricing); The economics of Price Discrimination.</p>
<p>Understanding Consumers: Analysis of Consumer Demand (20%) Determinants of market demand; Collecting information on consumer behaviour; Constructing and statistical estimation of market demand functions; Demand Analysis & Forecasting Sales of a firm; Demand & The Competitive Environment: monopolies, perfectly competitive firms and imperfectly competitive firms; The classification of products; Measures of demand responsiveness: Elasticities of demand: Price Elasticity and Corporate Revenue and Income elasticity.</p>
<p>Understanding Business Objectives: Managerial Objectives & Theories of Firm Behaviour (10%) Profit maximisation model; Sales revenue maximisation mode;l Growth maximization model; Managerial Utility maximisation model; "Wealth" or Value maximisation model.</p>
<p>Government and Business (10%) Rationale for Government regulation/intervention in Business; Regulation of a Natural Monopoly; Public Sector Industries; Competition Policy and the role of the Irish & European Competition Authority; Macroeconomic Policy; Industrial Policy; Taxation Policy; International Trade Policy.</p>
<p>Understanding Business Finance & Investment Decisions: How Managers Make Investment Appraisal Decisions? (6%) Capital as a resource of the firm; Capital and profit maximization; Economic nature of investment decisions; Estimating capital investment cash flows; Evaluating and ranking capital investment projects; Calculating the cost of capital; Cost-Benefit analysis; Capital Constraint Problems.</p>
<p>Understanding a Manager's Costs of Production (6%) The Production Function; Estimating Production Functions; From Production to Costs: The Law of Diminishing Returns; Nature and Types of costs; Cost Estimation & Cost functions; Marginal Cost in Decision Making; Opportunity Cost; The Planning Horizon: The Long-run Operating Period; Long-run cost curves & Economies and diseconomies of scale.</p>

Assessment Breakdown	%
Continuous Assessment	30.00%
End of Module Formal Examination	70.00%

Continuous Assessment				
Assessment Type	Assessment Description	Outcome addressed	% of total	Assessment Date
Examination	In Class Assessment	1,2	15.00	Week 11
Project	Various themes will be addressed such as Market Structures, Consumer Analysis and the Firm	3,4	15.00	Week 24

No Project

No Practical

End of Module Formal Examination				
Assessment Type	Assessment Description	Outcome addressed	% of total	Assessment Date
Formal Exam	End-of-Semester Final Examination	1,2,3,4,5	70.00	End-of-Semester

ITCarlow reserves the right to alter the nature and timings of assessment

Module Workload

Workload: Full Time		
<i>Workload Type</i>	<i>Frequency</i>	<i>Average Weekly Learner Workload</i>
Lecture	Every Week	3.00
Independent Learning Time	Every Week	4.00
Total Hours		7.00

Workload: Part Time		
<i>Workload Type</i>	<i>Frequency</i>	<i>Average Weekly Learner Workload</i>
Lecture	Every Week	1.50
Independent Learning Time	Every Week	5.50
Total Hours		7.00

Module Delivered In

Programme Code	Programme	Semester	Delivery
CW_BBLAW_B	<u>Bachelor of Business (Honours) in Business with Law</u>	3	Elective
CW_BBOPT_D	<u>Bachelor of Business with Options in Management. International Business, Supply Chain Management, Marketing, Human Resource Management</u>	3	Elective
CW_BRLMB_B	<u>Bachelor of Business(Honours) in Management</u>	3	Elective
CW_BBBBM_B	<u>Bachelor of Business(Honours) in Management</u>	3	Elective