



APPLIES TO ACADEMIC YEAR 2011/2012

GRA 8129 Managerial Economics

Programme

Executive Master of Management in Energy (EMME)

Responsible for the course

Erling Røed Larsen

Department

Department of Economics

Term

According to study plan

ECTS Credits

3

Language of instruction

English

Introduction

The objective of this course is to illustrate some of the central decision problems managers face and to provide the economic analysis they need to guide these decisions. The basic framework is how rational economic actors behave and interact - under various market arrangements - to determine the price-and output constellations we observe in "the real world". Particular emphasis will be placed on the strategic considerations of profit maximizing business firms - for instance in regard to their decisions concerning advertising, product differentiation and entry/exit in an industry.

Learning outcome

The ambition of this course is to develop in the participants an understanding and also an intuitive feeling for how business managers can find optimal strategies under various competitive frameworks. We will in particular stress the importance of the concept of market equilibrium – most business decisions will benefit from being evaluated with a firm grasp of the equilibrium response in the market. It is often said that a business manager neglects market forces "only at his peril". This course will try to prepare participants to minimize such mistakes.

Prerequisites

Bachelor degree or equivalent, work experience and good written and oral knowledge of the English language. Please confirm our Student regulations.

Compulsory reading

Books:

Samuelson, William F. and Stephen G. Marks. 2009. Managerial Economics. 6th ed. Hoboken, N.J. : Wiley. Selected parts

Recommended reading

Course outline

- What is managerial economics
- The concept of the private profit-maximizing firm
- Marginal analysis
- Demand analysis
- Production theory
- Costs concepts
- Optimal decisions and marginal analysis
- Perfect competition
- Monopoly

Computer-based tools

None

Learning process and workload

The course is conducted as a teaching module, with a total of 15 hours

The course is "problem based", but will follow carefully the chosen textbook by Samuelson and Marks, chapters 2,3,5,6,7, and 8 in the textbook are essential to the course.

Examination

Written hand-in, individual.

The deadline for delivery of the individual hand- in is three weeks after the end of the module.

This course accounts for 3 ECTS credits.

Examination code(s)

GRA 81291 - Individual assignment; accounts for 100 % to pass the program GRA 8129, 3 ECTS credits

The course is a part of a Executive Master of Management in Energy and all evaluations must be passed to obtain a certificate for the degree.

Examination support materials

Re-sit examination

Re-takes are only possible at the next time a course will be held.

Additional information