



Professor: Gulseren (Sera) MUTLU  
Office: RRH, Faculty Lounge, 5<sup>th</sup>/F  
Office Hours: By appointment  
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Course Web Page: via Canvas (<http://canvas.utexas.edu/>)  
Teaching Assistant: TBA

## COURSE OVERVIEW

Managerial Economics uses a set of theoretical and quantitative tools: 1) to analyze the industries the firms operate in 2) to help businesses in pricing and output decisions 3) to devise strategies to respond to competitors. Almost daily, a business owner faces pricing, output and strategic decisions in a competitive environment. For example, if you are a car manufacturer in US, what should you do if tariffs are imposed on steel imports? If you own Bird Electric Scooters, how should you respond to Jump's entry? Profitable business decisions require the understanding of the economic environment, the competitors, the economic principles and how they interact. This course will provide the necessary tools to do so.

In the first few weeks, I will show you how to make use of your sales data to understand the customers and how to use this information to aide in the manager's pricing and output decisions. In the following weeks, we will analyze how different market structures, i.e., whether new competitors can enter easily or not, affect business decisions. In the last weeks, we will apply our understanding to real life cases.

## MATERIALS

- a) **Canvas:** All notes related with the class will be posted under CANVAS\SYLLABUS. Please install the student edition of Canvas on your phone.
- b) **Supplies (Required):** A binder (for the ppt slides), a notebook to take notes during class (Preferably graph paper, 11inch x8 ½inch), pencil and pen.

## CLASS FORMAT

**Electronic Devices & Phones:** I DO NOT allow laptops, smart pads or any other electronic device to be used in class for note taking, as they are too easy a distraction from the discussion and are generally not as good as a pen for taking notes. Also, recent research shows that taking notes by hand makes you smarter<sup>1</sup>. If a student has a particular need to use a laptop, I will be willing to consider this on a case-by-case basis. Any laptop user must sit at the front of the classroom.

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<sup>1</sup> Reference: "Can handwriting make you smarter?", WSJ, April 2016

**Teaching format:** I will use the blackboard half of the time and use PPT slides in the other half. There will be in-class exercises. The students are expected to participate during case discussions.

**Commitment:** I am personally committed to making this course intellectually rewarding, logically cohesive, idea based (not memory based), personally relevant (as much as possible) and fun. If it is not, please let me know and I will try to do better.

## ASSESSMENT

<u>Assessment</u>	<u>Weight</u>
In Class Quiz	20%
Assignment	20%
Group Presentation	20%
Participation	20%
<u>Final Exam (Take Home)</u>	<u>20%</u>
Total	100%

## TENTATIVE COURSE SCHEDULE

Jan 5, Sat, 8am-12pm	Introduction, Topic 1 (Demand)
Jan 18, Fri, 2:45pm-6:45pm	Topic 1 (Regression, Applications)
Feb 1, Fri, 8am-12pm	Quiz (1hr), Topic 2 (Monopoly, Profit maximization rules)
Feb 2, Sat, 1-4pm	Topic 2 (Monopoly, Applications), Assignment is posted
Feb 16, Sat, 8am-12pm	Assignment is due, Topic 3 (Oligopoly, Output Competition, Collusion)
Mar 1, Fri, 1:30pm-5:30pm	Topic 3 (Oligopoly, Price Competition, Differentiation), Group Presentation Proposals are posted, Case Study 1 will be posted (Start reading)
Mar 15, Fri, 8am-12pm	Group Presentation Proposals are due, Topic 3 (Oligopoly, Dynamics, First Mover Advantage),
Mar 16, Sat, 1pm-5pm	Case Study 1, Case Study 3 will be posted (Start Reading)
Mar 29, Fri, 1:30pm-5:30pm	Case Study 2, Case Study 3 will be posted (Start Reading)
April 12, Fri, 1pm-5pm	Case Study 3, Review
April 13, Sat, 8am-12pm	Group Presentations, Final Exam (Take Home)

## **ACADEMIC INTEGRITY**

*The McCombs School of Business has no tolerance for acts of scholastic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the BBA Program's Statement on Scholastic Dishonesty at <http://www.mcombs.utexas.edu/BBA/Code-of-Ethics.aspx>. By teaching this course, I have agreed to observe all faculty responsibilities described in that document. By enrolling in this class, you have agreed to observe all student responsibilities described in that document. If the application of the Statement on Scholastic Dishonesty to this class or its assignments is unclear in any way, it is your responsibility to ask me for clarification. Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since dishonesty harms the individual, all students, the integrity of the University, and the value of our academic brand, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Judicial Services website at <http://deanofstudents.utexas.edu/sjs/> to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.*

## **STUDENTS WITH DISABILITIES**

*If you require accommodation for a disability, please let me know. You may request appropriate academic accommodations from the Division of Diversity and Community Engagement, Services for Students with Disabilities, 512-471-6259, <http://diversity.utexas.edu/disability/>.*

## **RELIGIOUS HOLY DAYS**

*In accordance with University policy, please notify me of your pending absence at least fourteen days prior to the date of observance of a religious holy day. If you must miss a class or project/homework due date in order to observe a religious holy day, you will be given an opportunity to complete the missed work within a reasonable period.*

## **CAMPUS SAFETY**

*Please note the following recommendations regarding emergency evacuation from the Office of Campus Safety and Security, 512-471-5767, <http://www.utexas.edu/safety/>:*

- *Occupants of buildings on The University of Texas at Austin campus are required to evacuate buildings when a fire alarm is activated. Alarm activation or announcement requires exiting and assembling outside.*
- *Familiarize yourself with all exit doors of each classroom and building you may occupy. Remember that the nearest exit door may not be the one you used when entering the building.*
- *Students requiring assistance in evacuation should inform their instructor in writing during the first week of class.*
- *In the event of an evacuation, follow the instruction of faculty or class instructors.*
- *Do not re-enter a building unless given instructions by the following: Austin Fire Department, The University of Texas at Austin Police Department, or Fire Prevention Services office.*
- *Behavior Concerns Advice Line (BCAL): 512-232-5050*
- *Further information regarding emergency evacuation routes and emergency procedures can be found at: [www.utexas.edu/emergency](http://www.utexas.edu/emergency).*