

## 1. General Information

1a. Submitted by the College of: BUSINESS AND ECONOMICS

Date Submitted: 11/25/2013

1b. Department/Division: B&E Graduate Center

1c. Contact Person

Name: Steven Skinner

Email: [steve.skinner](mailto:steve.skinner)

Phone: 257-1543

Responsible Faculty ID (if different from Contact)

Name:

Email:

Phone:

1d. Requested Effective Date: Semester following approval

1e. Should this course be a UK Core Course? No

## 2. Designation and Description of Proposed Course

2a. Will this course also be offered through Distance Learning?: No

2b. Prefix and Number: EMBA 603

2c. Full Title: Economics I

2d. Transcript Title:

2e. Cross-listing:

2f. Meeting Patterns

LECTURE: 2

2g. Grading System: Graduate School Grade Scale

2h. Number of credit hours: 2

2i. Is this course repeatable for additional credit? No

If Yes: Maximum number of credit hours:

If Yes: Will this course allow multiple registrations during the same semester?

2j. Course Description for Bulletin: This course will apply economic theory to managerial decision making and analysis. Traditional tools of microeconomics will be employed to see how they can be used to evaluation practical business problems.

2k. Prerequisites, if any: Admission to the joint EMBA program.

2l. Supplementary Teaching Component:

3. Will this course taught off campus? Yes

If YES, enter the off campus address: Possibly at the University of Louisville

4. Frequency of Course Offering: Fall,

Will the course be offered every year?: Yes

If No, explain:

5. Are facilities and personnel necessary for the proposed new course available?: Yes

If No, explain:

6. What enrollment (per section per semester) may reasonably be expected?: 40

7. Anticipated Student Demand

Will this course serve students primarily within the degree program?: Yes

Will it be of interest to a significant number of students outside the degree pgm?: No

If Yes, explain: [var7InterestExplain]

8. Check the category most applicable to this course: Traditional – Offered in Corresponding Departments at Universities Elsewhere,

If No, explain:

9. Course Relationship to Program(s).

a. Is this course part of a proposed new program?: Yes

If YES, name the proposed new program: Joint Executive MBA Program w/University of Louisville

b. Will this course be a new requirement for ANY program?: No

If YES, list affected programs:

10. Information to be Placed on Syllabus.

a. Is the course 400G or 500?: No

b. The syllabus, including course description, student learning outcomes, and grading policies (and 400G-/500-level grading differentiation if applicable, from 10.a above) are attached: Yes

## Distance Learning Form

Instructor Name:

Instructor Email:

Internet/Web-based: No

Interactive Video: No

Hybrid: No

1.How does this course provide for timely and appropriate interaction between students and faculty and among students? Does the course syllabus conform to University Senate Syllabus Guidelines, specifically the Distance Learning Considerations?

2.How do you ensure that the experience for a DL student is comparable to that of a classroom-based student's experience? Aspects to explore: textbooks, course goals, assessment of student learning outcomes, etc.

3.How is the integrity of student work ensured? Please speak to aspects such as password-protected course portals, proctors for exams at interactive video sites; academic offense policy; etc.

4.Will offering this course via DL result in at least 25% or at least 50% (based on total credit hours required for completion) of a degree program being offered via any form of DL, as defined above?

If yes, which percentage, and which program(s)?

5.How are students taking the course via DL assured of equivalent access to student services, similar to that of a student taking the class in a traditional classroom setting?

6.How do course requirements ensure that students make appropriate use of learning resources?

7.Please explain specifically how access is provided to laboratories, facilities, and equipment appropriate to the course or program.

8.How are students informed of procedures for resolving technical complaints? Does the syllabus list the entities available to offer technical help with the delivery and/or receipt of the course, such as the Information Technology Customer Service Center (<http://www.uky.edu/UKIT/>)?

9.Will the course be delivered via services available through the Distance Learning Program (DLP) and the Academic Technology Group (ATL)? NO

If no, explain how student enrolled in DL courses are able to use the technology employed, as well as how students will be provided with assistance in using said technology.

10.Does the syllabus contain all the required components? NO

11.I, the instructor of record, have read and understood all of the university-level statements regarding DL.

Instructor Name:

SIGNATURE|ZNNIKO0|Roshan N Nikou|EMBA 603 NEW Graduate Council Review|20140107

SIGNATURE|MKT210|Steven J Skinner|EMBA 603 NEW College Review|20131125

# EMBA 603

## Economics I

Professor:  
Office:  
Office Hours:  
Phone:  
E-mail:

### Course Description

In this course we will apply economic theory to managerial decision making and analysis. We will employ many of the traditional tools of microeconomics and see how they can be used to evaluate practical business problems. We will study market systems, supply and demand analysis, consumer behavior, production theory, economic costs and economic profit, the horizontal and vertical boundaries of the firm, and principal-agent theory. EMBA 603 is a core course in the MBA program and is intended to help you understand basic economic concepts that underlie other courses you will take in the applied business disciplines.

### Learning Outcomes

Upon completion of this course students will be able to:

- Explain the operation of markets and the role of business in those markets.
- Apply the concepts of supply, demand, and demand elasticity to pricing decisions.
- Identify the horizontal and vertical boundaries of a firm.
- Evaluate business problems using traditional microeconomics tools.

### Reading Assignments

Assigned readings will come from three different managerial economics textbooks:

Brickley, Smith, and Zimmerman, *Managerial Economics and Organizational Architecture* (any edition), McGraw-Hill Irwin

Besanko, Dranove, Shanley, and Schaefer, *Economics of Strategy* (any edition), John Wiley & Sons, Inc.

Baye, *Managerial Economics and Business Strategy* (7<sup>th</sup> edition), McGraw-Hill Irwin, 2010.

There will also be assigned readings for each class taken from business periodicals such as the *Wall Street Journal*.

### Grading

Grades in the course will be determined on the basis of performance on in-class quizzes (30%), homework (30%), and an in-class exam (40%).

## Grading Scale

A	90%-100%
B	80%-89.99%
C	70%-79.99%
E	<70%

## Course Outline and Reading Assignments

### I. Introduction, basics of market systems, demand and supply analysis.

#### Text:

BSZ, ch. 3, “Markets, Organizations, and the Role of Knowledge.”

#### Outside readings:

“Tempur-Pedic stock up after report, analysis,” *Lexington Herald-Leader*, 7/26/12, B5.

“China’s Winter of Discontent,” *WSJ*, 3/14/06.

“Lawmakers struggle to define gasoline price ‘gouging,’” *WSJ*, 11/9/05.

“Indonesia Has Lots of Coal—And Blackouts in Capital,” *WSJ*, 7/29/08.

“Corn’s Rally Sends Ripples,” *WSJ*, 1/18/07.

### II. Determinants of demand, estimating demand, elasticity.

#### Text:

BSZ, ch. 4: “Demand.”

#### Outside readings:

“PepsiCo Pushes Breakfast in Bid to Heat Up Oatmeal,” *WSJ*, 7/28/10.

“Thrill parks try to boost attendance: Some lower their fees to attract crowds,” *Lexington Herald-Leader*, 5/27/06.

“For Dollar Stores, a Mixed Bag,” *WSJ*, 7/11/13.

### III. Production, economic costs, economic profit.

#### Text:

BSZ, ch. 5: “Production and cost.”

#### Outside readings:

“Holiday Hiring Call: People vs. Robots,” *WSJ*, 12/20/10.

“Honda’s Flexible Plants Provide Edge,” *WSJ*, 9/23/08.

“Small Talk,” *WSJ*, 5/30/06.

“Small Investments with Major Returns,” *WSJ*, 1/5/09.

### IV. Horizontal boundaries of the firm.

#### Text:

BDSS, ch. 2: “The Horizontal Boundaries of the Firm: Economies of Scale and Scope.”

Outside readings:

“Power Pork: Corporations Begin to Turn Hog Business into an Assembly Line,” *WSJ*, 3/28/94.

“Meet the World’s Largest Cargo Ships,” *WSJ*, 1/8/13.

“Going to the Well: A Powerful Idea,” *Lexington Herald-Leader*, 7/4/11.

V. Vertical boundaries of the firm.

Text:

BDSS, ch. 3: “The Vertical Boundaries of the Firm.”

Outside readings:

“Made to Measure: Invisible Supplier Has Penney’s Shirts All Buttoned Up,” *WSJ*, 9/11/03.

“Bike Maker Faces a Tactical Shift,” *WSJ*, 10/28/98.

“Companies More Prone to Go ‘Vertical,’” *WSJ*, 11/30/09.

VI. Principal-agent relationships.

Text:

BDSS, ch. 14: “Agency and Performance Measurement.”

Outside readings:

“Big Mac’s Makeover,” *The Economist*, 10/16/04.

“Levi’s Factory Workers Are Assigned to Teams, and Morale Takes a Hit,” *WSJ*, 5/20/98.

## **Course Policies**

### **Submission of Assignments**

Explicit instructions will be given when each assignment is handed out.

### **Attendance Policy**

Given the nature of this program, it is hard to imagine that anyone would ever miss class except for a very good reason.

### **Makeup Policy**

Makeup quizzes and exams will only be given if there is an excused absence. If it is possible, you must notify me before the quiz/exam date.

### **Excused Absences**

Students need to notify the professor of absences prior to class when possible. S.R. 5.2.4.2 defines the following as acceptable reasons for excused absences: (a) serious illness, (b) illness or death of family member, (c) University-related trips, (d) major

religious holidays, and (e) other circumstances found to fit “reasonable cause for nonattendance” by the professor.

Students anticipating an absence for a major religious holiday are responsible for notifying the instructor in writing of anticipated absences due to their observance of such holidays no later than the last day in the semester to add a class. Information regarding dates of major religious holidays may be obtained through the religious liaison, Mr. Jake Karnes (859-257-2754).

Students are expected to withdraw from the class if more than 20% of the classes scheduled for the semester are missed (excused or unexcused) per university policy.

### **Verification of Absences**

Students may be asked to verify their absences in order for them to be considered excused. Senate Rule 5.2.4.2 states that faculty have the right to request “appropriate verification” when students claim an excused absence because of illness or death in the family. Appropriate notification of absences due to university-related trips is required prior to the absence.

### **Academic Integrity**

Per university policy, students shall not plagiarize, cheat, or falsify or misuse academic records. Students are expected to adhere to University policy on cheating and plagiarism in all courses. The minimum penalty for a first offense is a zero on the assignment on which the offense occurred. If the offense is considered severe or the student has other academic offenses on their record, more serious penalties, up to suspension from the university may be imposed.

Plagiarism and cheating are serious breaches of academic conduct. Each student is advised to become familiar with the various forms of academic dishonesty as explained in the Code of Student Rights and Responsibilities. Complete information can be found at the following website: <http://www.uky.edu/Ombud>. A plea of ignorance is not acceptable as a defense against the charge of academic dishonesty. It is important that you review this information as all ideas borrowed from others need to be properly credited.

Part II of *Student Rights and Responsibilities* (available online <http://www.uky.edu/StudentAffairs/Code/part2.html>) states that all academic work, written or otherwise, submitted by students to their instructors or other academic supervisors, is expected to be the result of their own thought, research, or self-expression. In cases where students feel unsure about the question of plagiarism involving their own work, they are obliged to consult their instructors on the matter before submission.

When students submit work purporting to be their own, but which in any way borrows ideas, organization, wording or anything else from another source without appropriate acknowledgement of the fact, the students are guilty of plagiarism. Plagiarism includes reproducing someone else’s work, whether it be a published article, chapter of a book, a paper from a friend or some file, or something similar to this. Plagiarism also includes the practice of employing or allowing another person to alter or revise the work which a student submits as his/her own, whoever that other person may be.

Students may discuss assignments among themselves or with an instructor or tutor, but when the actual work is done, it must be done by the student, and the student alone. When a student’s assignment involves research in outside sources of information, the student must carefully acknowledge exactly what, where and how he/she employed them.

If the words of someone else are used, the student must put quotation marks around the passage in question and add an appropriate indication of its origin. Making simple changes while leaving the organization, content and phraseology intact is plagiaristic. However, nothing in these Rules shall apply to those ideas which are so generally and freely circulated as to be a part of the public domain (Section 6.3.1).

**Please note:** Any assignment you turn in may be submitted to an electronic database to check for plagiarism.

**Accommodations Due to Disability**

If you have a documented disability that requires academic accommodations, please see me as soon as possible during scheduled office hours. In order to receive accommodations in this course, you must provide me with a Letter of Accommodation from the Disability Resource Center (Room 2, Alumni Gym, 257-2754, email address: jkarnes@email.uky.edu) for coordination of campus disability services available to students with disabilities.