

Code	B12GMC05E	Credit	7
Term:	fall	Level:	6
Module Title:	BUSINESS ECONOMICS		
Module Leader:	Dr. Kármén Kovács, PhD Associate Professor	Office Hours:	Tuesday: 3.30–5.00 p.m. (Room B120)
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Short Description:	The module is designed to analyse the impact of business objectives and of the firm's internal organizational structure on business decision making, and to consider the competitive environment within which business decisions are made and the manner in which government interventions both direct and indirect affect the environment and the making of business decision.		
Sessions (weeks):			
Schedule is tentative and subject to change!			
1.	Business Economics: The concept. Introduction of the subject. Changing Demand and/or Supply.		
2.	Demand Analysis.		
3.	Production Analysis and Compensation Policy.		
4.	Cost Analysis and Estimation.		
5.	Competitive Markets: Characteristics, Profit Maximization, Firm Supply.		
6.	Performance and Strategy in Competitive Markets.		
7.	Midterm exam.		
8.	<i>Fall break.</i>		
9.	Monopoly as a Form of Market Structure.		
10.	Monopolistic Competition. Monopolistic Competition Price-Output Decisions. Monopolistic Competition Process.		
11.	Oligopoly. Oligopoly Output-Setting Models. Oligopoly Price-Setting Models.		
12.	Intangible Assets and Market Structure.		
13.	Game Theory and Competitive Strategy.		
14.	Pricing Practices, Price Discrimination.		
Rationale Including Aims:	To make the interconnection between microeconomics and the functional areas of business disciplines. To introduce student to the interaction between firm decision making and the competitive environment.		

Learning Outcomes: Knowledge	<p>On completion of this module the successful student will be able to:</p> <ol style="list-style-type: none"> 1. To apply economic concepts and quantitative methods to solve managerial problems. 2. To critically evaluate the applications of economic theory to the firm. 3. To assess how the changing decision can alter the market in which the firm operates in. 4. To critically evaluate the interaction between competitors, their possible decision making, and behaviour.
Learning Outcomes: Skills	<p>This module will call for the successful student to demonstrate:</p> <ol style="list-style-type: none"> 1. Ability to exercise quantitative analysis of managerial decisions taking into consideration of the firm's external economic environment. 2. Ability to analyse market and corporate data and information in order to make managerial decisions in different market conditions. 3. Ability to integrate the various corporate functions (accounting, finance, HRM, marketing, operations management) to solve decision problems and critically evaluate the microeconomic assumptions in the real life setting.
Teaching and Learning Strategies:	<p>The module builds on the knowledge acquired in basic economic (micro, macro) and management (corporate finance, marketing, operations management, organisational behaviour) modules to enable students to quantitatively assess the interaction of these fields with the application of case study analysis. Emphasis is put on group work and group presentation besides the individual written assignments. Individual, group assignments will require the student to use academic journals, other information databases to learn the application of IT in business analysis and business decision making.</p>
Assessment Scheme:	<p>The grade will be based on the following weights:</p> <ol style="list-style-type: none"> 1. Midterm exam: 30% (K1, K2, K3, S1) 2. Final exam: 60% (K1, K2, K3, K4, S2) 3. Semester work, Project work: 10% (K4, S1, S2, S3) <p>Student is required to achieve at least 50.01% (pass) of each part of the assessment in order to receive a pass in aggregate.</p>
Core Learning Materials:	<p>Hirschey, M. (2009), <i>Managerial Economics</i>. 12th ed. Mason: South Western.</p>
Optional Learning Material:	<p>Gillespie, A. (2010), <i>Business Economics</i>. Oxford: Oxford University Press. Lipczynski, J., Wilson, J. O. S. and Goddard, J. (2013), <i>Industrial Organization: Competition, Strategy, Policy</i>. 4th ed. Harlow: Pearson. McGuigan, J. R., Moyer, R. C. and Harris, F. (2014), <i>Managerial Economics: Applications, Strategy, and Tactics</i>. 13th ed. Stamford: Cengage Learning: [South Western College]. Waldman, D. E. and Jensen, E. J. (2013), <i>Industrial Organization: Theory and Practice</i>. 4th ed. Boston: Pearson – Prentice Hall. Wilkinson, N. (2005), <i>Managerial Economics: A Problem-Solving Approach</i>. Cambridge: Cambridge University Press.</p>