

23706 Economics for Management

Course area	UTS: Business
Delivery	Autumn 2014; City
Credit points	6cp
Requisite(s)	21878c Organisational Dialogue: Theory and Practice OR 26001 Business Communication Skills These requisites may not apply to students in certain courses. See access conditions .
Result type	Grade and marks

Subject coordinator

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Teaching staff

See the subject page on UTS Online for a list of teaching staff and their class allocations.

Subject description

This subject comprises two parts which deal with the fundamental principles of microeconomics and macroeconomics as they relate to business management. The microeconomics part of the subject examines the forces of supply and demand, consumer behaviour, the nature of production costs, price setting by firms in a range of market types, the rationale and ethical underpinnings of trade practice restrictions and the fundamental forces affecting international trade. The macroeconomics part of the subject is concerned with the larger scale aspects of the economic systems in which businesses operate. It examines the determinants of gross domestic product, the behaviour of the general price level and inflation, unemployment, and the forces that affect the general rate of interest. Attention is also given to the nature, ethical rationale and impact of government policies on the macroeconomic environment and business conditions.

Subject objectives

Upon successful completion of this subject students should be able to:

1. explain the basic principles of economic analysis and the forces that determine key economic variables that impact on a range of businesses
2. apply these principles to the analysis of important management problems
3. communicate their knowledge of economics and the results of the analysis of business problems to colleagues and clients.

Contribution to the development of graduate attributes

This foundation subject serves to develop a capacity to analyse businesses, industries and the economy and provides an understanding of the paradigms developed in related subjects, such as finance, marketing and management accounting. While business and community problems have many dimensions, a capacity to identify and understand their economic dimensions is an important prerequisite for sound decision-making.

Teaching and learning strategies

The subject will use lectures, seminars and self-managed learning. Both printed and electronic learning materials and self-assessment resources will support the teaching strategy.

Content

1. Demand and supply analysis, its methodological and ethical underpinnings, and its relevance to business

decision-making

2. Inputs, costs and production functions

3. Industry models, their relevance for business decisions and the rationale for basic trade practice restrictions

4. Macroeconomic models and their use predicting the consequences of economic shocks and changes

5. The logic, operation and ethical dimensions of fiscal and monetary policies, and their impact on the business environment

6. The international dimensions of a small open economy

Program

Week/Session	Dates	Description
1	24 Feb	Supply & Demand, Equilibrium Notes: Chapter 2
2	3 Mar	Demand Elasticity Notes: Chapter 3
3	10 Mar	Production and Cost Analysis in the Short Run and in the Long Run. Notes: Chapter 5 and Chapter 6 (excluding appendix).
4	17 Mar	Market Structure : Perfect Competition, Monopoly and Monopolistic Competition. Notes: Chapters 7 (excluding appendix) and Chapter 8 (excluding pp. 213 -220)
5	24 Mar	Market Structure : Oligopoly, Pricing Strategies for the firm. Notes: Chapter 9 and Chapter 10
6	31 Mar	Revision Lecture
7	7 Apr	Exam preparation: non-teaching week.
8	14 Apr	Mid-semester exam week
9	21 Apr	Vice-Chancellor week (non teaching week)

10	28 Apr	Measuring Macroeconomics Activities
		Notes: Chapter 11
11	5 May	Spending by individuals, firms and government
		Notes: Chapters 12 (excluding appendix). Assignment due in class.
12	12 May	Role of money in the macroeconomy
		Notes: Chapters 13 (excluding appendix).
13	19 May	The Aggregate Model of Macro-economy
		Notes: Chapter 14 (excluding appendix)
14	26 May	International and Balance of Payments issues in the Macro-economy
		Notes: Chapter 15 (excluding appendix).
15	2 Jun	Revision lecture
16	9 Jun	Final exam week

Additional information

Some Tips for Doing Well in this Course: It goes without saying that you must attend classes, do the assigned reading and complete the in-class exercises to do well in this subject. You will need to study continuously throughout the session. Completing the in-class exercises each week will prepare you well for the exams.

This subject incorporates some equations, mostly in the form of easy to manipulate identities, as well as diagrams and graphs. These may seem intimidating if you have not encountered them before, but they are actually designed to make economics easier. By learning how to manipulate these equations and graphs correctly, you can answer most questions in economics without having to remember a lot of other material. You should learn not only how to interpret diagrams such as supply and demand curves, but also practice drawing and manipulating them to tell an economic story.

Assessment

Assessment for this course will consist of a mid-semester exam (40%), assignment (20%) and a final exam (40%).

Assessment task 1: Assignment (Individual)

Intent: This assessment item takes the form of a report which deals with the application of principles deal with in the subject to real world economic challenges. The report must be prepared and written individually.

Objective(s): This addresses subject learning objective(s):
1, 2 and 3

Weight: 20%

Due: 5.00pm Friday 9 May 2014
Assignments must be submitted in class in the week commencing the 5th of May.

Further information: Assignment details will be available on the subject page via UTSONline.

Assessment task 2: Mid-Semester Exam (Individual)

Intent: The mid-semester exam examines material presented and discussed in the first part of the subject. It is a closed-book exam of 2 hours duration.

Objective(s): This addresses subject learning objective(s):
1 and 2

Weight: 40%

Due: UTS Exam Period

Further information: The mid-semester exam will cover the first half of the course only. The questions will be similar in format and topic coverage to the in-class exercises. The exam will have two sections. Part A will be composed of 20 multiple choice questions worth 20 marks. Part B will be composed of four short answer written-response questions worth a total of 20 marks.

Assessment task 3: Final Exam (Individual)

Intent: The final exam examines material presented and discussed in the second part of the subject. It is a closed-book exam of 2 hours duration.

Objective(s): This addresses subject learning objective(s):
1 and 2

Weight: 40%

Due: The final exam will be held during the University's formal examination period. Check the examination timetable on the UTS web site for the exact time and location of the exam.

Further information:

- The final exam will cover the second half of the subject only. The questions will be similar in format and topic coverage to the in-class exercises and the self-test quizzes. The exam will have two sections. Part A will be composed of 20 multiple choice questions worth 20 marks. Part B will be composed of four short answer written-response questions worth a total of 20 marks.

Examination material or equipment

You must bring a soft-lead pencil and an eraser to fill out the multiple-choice answer sheet. Do not use a pen to answer the multiple-choice answer sheet, as you will not be able to make corrections! You should also bring your student identification card and a calculator.

Minimum requirements

Students must achieve at least 50% of the subject's total marks.

Required texts

The text for this course is: **Paul G. Farnham, *Economics for Managers*, 3rd edition, Pearson, 2013.**

The text is available from the Coop Bookshop and via online book retailers. Previous editions are acceptable.

References

See the subject page on UTSOnline for additional readings.

Other resources

(DRAFT)

Lecture Notes: The lecture notes for each week are available for download from UTS Online.

In-Class Exercises: The in-class exercises assigned for each week are available for download from UTS Online. These consist of multiple choice and short answer questions. The questions are similar in format and topic coverage to those you will encounter in the exams. You should complete the exercises after you have done the assigned chapter reading. Your lecturer will go through these exercises with you in class, but you should attempt them before class. Answers will also be made available via UTS Online each week.

Academic liaison officer

- Dr Maria Ossimitz, Accounting Discipline Group, telephone 9514 3069
- Mr Harry Tse, Economics Discipline Group, telephone 9514 7786 / 9514 5456
- Dr Otto Konstandatos, Finance Discipline Group, telephone 9514 7758
- Dr Paul Wang, Marketing Discipline Group, telephone 9514 3692
- Dr Katie Schlenker, Management Discipline Group and BBus (Kuring-gai), telephone 9514 5303 (until week 10)
- Dr Daryl Adair, Management Discipline Group and BBus (Kuring-gai), telephone 9514 5498 (weeks 11–14)

Any arrangements should be negotiated within the first six weeks of semester.

Support

Student Services Unit/Counselling: Student Services provides a range of free and confidential professional services to support different aspects of your life and learning at UTS (www.ssu.uts.edu.au). These services include counselling for personal and learning problems or issues. If you are experiencing difficulties with your overall study program, for whatever reason, phone 9514 1177 (City campus) or 9514 5342 (Kuring-gai campus).

Students with disabilities or ongoing medical conditions: If you are a student who has a disability or ongoing medical condition that requires support services you are encouraged to contact the disability support officers or Special Needs Service (phone 9514 1177; www.ssu.uts.edu.au/sneeds/) for a confidential interview. Supporting documentation regarding your disability or ongoing medical condition is required if you wish to apply for assessment adjustments, including alternative assessment conditions. Each faculty has appointed academic liaison officers (ALOs) who are responsible for approving assessment adjustments. Meeting with the disability support officers or Special Needs Service before seeking assessment adjustments from your ALO is required.

Improve your academic and English language skills: Marks for all assessment tasks such as assignments and examinations are given not only for what you write but also for how you write. If you would like the opportunity to improve your academic and English language skills, make an appointment with the HELPS (Higher Education Language and Presentation Support) service in Student Services.

HELPS (Higher Education Language and Presentation Support): HELPS provides assistance with English language proficiency and academic language. Students who need to develop their written and/or spoken English should make use of the free services offered by HELPS, including academic language workshops, vacation intensive courses, drop-in consultations, individual appointments and Conversations@UTS (www.ssu.uts.edu.au/helps). HELPS

is located in Student Services, on level 3 building 1 at City campus and via the Student Services area at Kuring-gai (phone 9514 2327 or 9514 2361).

Study skills / learning support: If you are experiencing difficulty with your studies or need to develop the necessary study skills you require for your course, there is a host of useful information and websites to help you on the UTS Business School, Teaching And Learning website. Links on how to write better, study more effectively, available support services/staff to help, how to complete assignments; as well as tips for successful study and online study skills resources can all be accessed

(www.uts.edu.au/current-students/current-students-information-uts-business-school-0/study-and-assessment-resources

Careers Service: The UTS Careers Service aims to actively support the career development needs of all UTS students (www.ssu.uts.edu.au/careers/).

Statement about assessment procedures and advice

Assessment of coursework subjects

All staff and students involved in the assessment of coursework subjects at UTS are subject to the Policy for the Assessment of Coursework Subjects. The policy is applicable to the assessment of all coursework subjects. This policy does not apply to thesis subjects that are taken by students enrolled in research degrees, but does apply to any coursework subjects undertaken by research degree students. It does not describe policy that relates to academic progression through a course of study.

The policy should be read in conjunction with the Procedures for the Assessment of Coursework Subjects. Both are available at: www.gsu.uts.edu.au/policies/assessment-coursework.html

Statement on copyright

Australian copyright law allows you as a student or researcher to copy and use limited amounts of other people's material in your study or research without their permission and free of charge.

This applies to any sort of published or unpublished work, and includes written material, tables and compilations, designs, drawings (including maps and plans), paintings, photographs, sculpture, craft work, films (such as feature films, television programs, commercials and computer video games), software (such as computer programs and databases), sound recordings, performances and broadcasts (including podcasts and vodcasts of these) and text, including books, journals, websites, emails and other electronic messages.

It is important to remember that **you can only use a limited amount for your study or research purposes** and that **you need to correctly acknowledge the author and reference their material** when you use it in your work.

Incorrect or improper use of copyright protected material could result in breaking Australian copyright law, for which significant penalties apply. Incorrect or improper use of copyright protected material at UTS would result in consideration under the UTS Student Misconduct rules.

UTS Rules and the UTS Student Charter require that students familiarise themselves and comply with UTS student policies and procedures. The copyright information advising what you can copy and how much you can use can be seen at: www.uts.edu.au/about/utsweb-statements/copyright-statement

Statement on plagiarism

Plagiarism is a broad term referring to the practice of appropriating someone else's ideas or work and presenting them as your own without acknowledgment. Plagiarism is literary or intellectual theft. It can take a number of forms, including:

- copying the work of another student, whether that student is in the same class, from an earlier year of the same course, or from another tertiary institution altogether
- copying any section, no matter how brief, from a book, journal, article or other written source, without duly acknowledging it as a quotation
- copying any map, diagram or table of figures without duly acknowledging the source
- paraphrasing or otherwise using the ideas of another author without duly acknowledging the source.

Whatever the form, plagiarism is unacceptable both academically and professionally. By plagiarising you are both stealing the work of another person and cheating by representing it as your own. **Any instances of plagiarism can therefore be expected to draw severe penalties and may be referred to the Faculty Student Conduct Committee.**

Cheating means to defraud or swindle. Students who seek to gain an advantage by unfair means such as copying another student's work, or in any other way misleading a lecturer about their knowledge or ability or the amount of work they have done, are guilty of cheating.

Students who condone plagiarism by allowing their work to be copied will also be subject to severe disciplinary action.

Avoiding plagiarism is one of the main reasons why the UTS Business School is insistent on the thorough and appropriate referencing of all written work.

Statement on UTS email account

Email from the University to a student will only be sent to the student's UTS email address. Email sent from a student to the University must be sent from the student's UTS email address. University staff will not respond to email from any other email accounts for currently enrolled students.