



University of Kerala

Discipline	ECONOMICS				
Course Code	UK2DSCECO103				
Course Title	MANAGERIAL ECONOMICS				
Type of Course	DSC				
Semester	II				
Academic Level	100-199				
Course Details	Credit	Lecture per week	Tutorial per week	Practical per week	Total Hours/Week
	4	4 hours	-	-	4
Pre-requisites	Understanding of basic Economics.				
Course Summary	This course intends to cover the basic concepts of demand analysis, estimation, production, cost analysis, and a firm's decision-making strategies which are relevant in decision-making and management.				



Detailed Syllabus:

Module	Unit	Content	Hrs.
I	Principles of Managerial Economics		15
	1	Meaning & Scope of Managerial Economics-Role of Managerial Economics in Problem Solving	
	2	Demand Analysis; Demand Curve, Determinants of Demand-Market Demand-Elasticity of Demand; Price, Income and Cross Elasticity of Demand	

	3	Demand Forecasting; Types, Forecasting Methods; Trend Analysis, ARIMA Model (Concept only), Biometric Forecasting, Surveys, Econometric Models (Concept only).	
II	Production Analysis and Cost of Production		12
	4	Production Function-Cobb-Douglas Production Function-Law of Variable Proportions-Law of Returns to Scale-Economies and Diseconomies of Scale (Concepts only)	
	5	Nature of Cost Curves-Traditional Theory of Cost-Relevance of Cost Functions	
III	Market Structure and Theory of the Firm		12
	6	Perfect Competition- Monopoly-Degrees of Price Discrimination - Monopolistic Competition (Concepts and features only), Oligopoly; Kinked Demand Curve Model -Profit Maximization versus Break Even Analysis (Equilibrium condition may be omitted).	
	7	Managerial and Behavioral theories of the Firm – Relevance and basic differences only	
	8	Organization of the firm; Methods of Procuring Inputs, Transaction Cost	
IV	Pricing Theory		15
	9	Pricing Objectives - Crucial Factors in Formulating a Pricing Policy	



	10	Markup Pricing -Transfer Pricing- Peak load Pricing - Cost plus Pricing Marginal Cost Pricing - Going Rate Pricing - Product Line Pricing - Breakeven Point Pricing (concept only)- Pricing of a New Product - Pricing Over the Life Cycle of a Product.	
V	Managerial Economics in Practice (This Module includes a set of case studies, any of which each student is required to do)		6
	11	Select a few products, identify the characteristics and its market structure.	
	12	Identify a firm and examine the promotional measures carried out by it.	
	13	Prepare a report about a firm of your choice and examine its pricing strategies.	

Readings

1. D N Pandey (2004), ‘Managerial Economics’, Pearson Education
2. Dominick Salvatore (2014), ‘Managerial Economics in a Global Economy’, Oxford University Press
3. Dr. Ashok Purohit (2022), ‘Managerial Economics’, Pratham Publications
4. H Craig Peterson, W Cris Lewis (1999), ‘Managerial Economics’, Pearson Education
5. Luke M Froeb, Brian T McCann, Mikhael Shor, Michael R Ward (2014), ‘Managerial Economics- A Problem Solving Approach’, South Western Cengage Learning
6. Maria Moschandreas (2000), ‘Business Economics’, 2nd Edition, Business Press Thomson Learning
7. Michael R Baye, Jeffrey T Prince (2022), ‘Managerial Economics and Business Strategy’, Mc Graw Hill LLC
8. Lila J Truett, Dale B Truett (2006), ‘Managerial Economics-Analyses, Problems, Cases,’ 8th Edition, Wiley Student Edition.
9. David Begg, Gianluigi Vernasca, Stanley Fischer, and Rudiger Dornbusch Economics 12th Edition, McGraw Hill

Course Outcomes

No.	Upon completion of the course the graduate will be able to	Cognitive Level	PSO addressed
CO-1	Understand the fundamentals of Managerial Economics	R, U	PSO-1, 5
CO-2	Examine the production and cost process of the firm	R, U, Ap, An, E	PSO-1,5



CO-3	Evaluate different types of markets	R, U, Ap, An, E	PSO-1,3,5
CO-4	Examine the pricing strategies of firms and develop suitable pricing strategies for new products	R, U, Ap, An, E, C	PSO-1,3,5,6
CO-5	Apply the theories and principles of Managerial Economics in daily life.	R, U, Ap, An, E, C	PSO-3,5,6

R-Remember, U-Understand, Ap-Apply, An-Analyse, E-Evaluate, C-Create

Note: 1 or 2 COs/module

Name of the Course: Credits: 4:0:0 (Lecture: Tutorial: Practical)

CO No.	CO	PO/PSO	Cognitive Level	Knowledge Category	Lecture (L)/Tutorial (T)	Practical
CO-1	Understand the fundamentals of Managerial Economics	PSO-1, 5	R, U	C	L	
CO-2	Examine the production and cost process of the firm	PSO-1,5	R, U, Ap, An, E	C, F,	L	
CO-3	Evaluate different types of markets	PSO-1,3,5	R, U, Ap, An, E	C, P, M	L	
CO-4	Examine the pricing strategies of firms and develop suitable pricing strategies for new products	PSO-1,3,5, 6	R, U, Ap, An, E, C	F, P, M		
CO-5	Apply the theories and principles of Managerial Economics in daily life.	PSO-3,5,6	R, U, Ap, An, E, C	M		

F-Factual, C- Conceptual, P-Procedural, M-Metacognitive

Mapping of COs with PSOs and POs:

CO No.	PSO1	PSO2	PSO3	PSO4	PSO5	PSO6	PO1	PO2	PO3	PO4	PO5	PO6	PO7	Average
CO-1	3	-	1	-	2	-	3	2	1	-	-	1	-	1.86
CO-2	3	-	1	-	2	-	3	2	1	-	-	1	-	1.86
CO-3	2	-	3	1	3	-	3	3	2	1	-	2	1	2.1
CO-4	2	-	3	1	2	2	2	3	2	2	1	3	2	2.09
CO-5	1	-	3	-	2	3	2	2	2	1	1	3	2	2
Average	2.2	0	2.2	1	2.2	2.5	2.6	2.4	1.6	1.33	1	2	1.67	

Correlation Levels:

Level	Correlation
-	Nil



1	Slightly / Low
2	Moderate / Medium
3	Substantial / High

Assessment Rubrics:

- Quiz / Assignment/ Quiz/ Discussion / Seminar
- Midterm Exam
- Programming Assignments
- Final Exam

Mapping of COs to Assessment Rubrics:

CO No.	Internal Exam	Assignment	Project Evaluation	End Semester Exam
CO-1	✓	✓	-	✓
CO-2	✓	✓	-	✓
CO-3	✓	✓	✓	✓
CO-4	✓	✓	✓	✓
CO-5	-	✓	✓	✓

