

School of Professional Advancement

Course Outline

Course Title	Economics Analysis for Business Decision Making
Course Type	Foundation

Course Description

Economics is said to be a social science which studies production and consumption through measurable and ascertained variables. It not only involves analyzing the production, distribution, trade and consumption of goods and services but also it tries to understand the behavior of human and its decision making pattern.

This course is designed to impart economic principles to the students who are in beginners in the subject of Economics. This course will develop their economic thinking and make them capable of comprehensively doing economic analysis in daily business life.

Format of the Course:

- Lectures and Discussion most of the times
- Case studies
- Presentation
- Practices

Course Objective

The course is designed to provide fundamental knowledge of economics. It will help to build the economic thinking of students. The main objectives of the course include:

- Imparting economic thinking skills
- Providing basic economic analytical skills
- Providing firsthand knowledge about tools used in economic analysis
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Course (Student) Objectives

Students will learn following important techniques and topics of negotiation

- Understanding and interpret economic situation
- How to analyze business environment economically
- Different types of Economics
- Understanding of Pricing and Elasticity concept
- Understanding Market Failure and Marco Economic Environment

Course Content (or Course Outline)

Session1&2: Introduction, Economics, History, Markets,

First session is dedicated for introduction of the resource person, students and the subject. The second session will deal about the prospects of Economics, types and utilization of economic knowledge and market theory. The session will include 10 principals of Economics which will build the foundation of students in economic discipline.

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Learning Outcome: Students will get familiar with the teacher, and with other students. Students will learn basic knowledge about economics and its usage in the business field. Students will get knowledge about the market mechanisms and how market failure occurs and how can it pose danger to society.

Class Activity:

Assignment 1. Historical perspective of economics and evolution of economics different epoch and concepts

Session 3&4: Mathematical Economics

The session is dedicated for inculcating mathematical concepts among the students. Students will be made aware of key mathematical concepts like, graphical representation of economic concepts, equation of line, graph of the line, first order derivatives and slope measurements. Providing key mathematical concepts to our students will help them to improve their analytical and problem solving skills.

Learning outcomes:

Key mathematical concepts like, slope, first order derivative, price and quantity equilibrium,

Session 5 &6 Consumer Choice, Utility and Consumer Theory, Demand and Supply Dynamics

In these sessions students will get information about economic thinking and consumer choice. Students will learn how consumers make their decisions. What is rational behavior and how does consumer make decision making while considering the utility of products.

Learning Outcome:

After the sessions students will be able to understand what is rational thinking and how does in business environment rational thinking help to prosper. Students will be able to apply law of demand and supply in their daily business activities.

Class Activity:

Quiz 1. From the first two sessions

Assignment.2; Home Assignment

Session 7 : Elasticity and its types and mathematical practice questions:

In this session students will learn about elasticity and its use in business for price determination. The mathematical portion will make students able to mathematically draw basic economic models.

Learning Outcome:

Students will be able to use concept of elasticity as a tool for pricesetting. Students will learn some basic techniques of mathematical modeling used for economic analysis.

Class Activity:

Quiz 2 in session No. 6.

Session 8&9: Elasticity types and usage, Production and costing (Mid Term)

Session 7 will be continuing with the details of elasticity whereas session 8 is designed to impart knowledge about production system of a firm. The session 8 will cover the basic concepts of input costs, variable and fixed costs and firms' profitability at optimum.

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Learning Outcome:

Students will learn practical use of elasticity and its various types. They will get knowledge about production system of a firm and the basic terms for costing and profit maximization.

Session 9&10: Markets and Economic Structure, Aggregate demand and supply

The sessions will deal about various types of markets and their functions. Knowledge about markets development and basic market structure monopoly, oligopoly etc will be presented in details. The session 10 will deal about competition and macroeconomic principles working underlying in an economy. The session will discuss in length the details of aggregate demand and supply.

Learning Outcome:

Students will learn about basics of markets and their structure. They will learn how various markets operate and what their prerequisites are. Students will learn dynamics of competition and the usage of aggregate demand and supply in macroeconomic.

Class Activity:

Group discussion on the topic of various forms market structure

Session 11&12: Industry Equilibrium and GDP as tool for economic performance

How economy in general and industry in particular come into equilibrium and how consumer and producers tend to have equilibrium in certain commodity markets are the basic questions and the answer to these will be sought out in these two sessions. GDP as tool for economic performance and various types of GDP will be discussed in these sessions. Basics concepts like inflation, deflation, and stagflation will also be explained.

Learning Outcome:

Students will learn about the basics of equilibrium in the economy and in industry. They will have firsthand knowledge about inflation, deflation, and stagflation.

Class Activity:

Quiz No. 3 in session 12.

Session 13 &14: Measuring National Income, Externalities and Market Failure,

Measuring national income is one of the basic tools used in macroeconomics planning. In these sessions students will learn methods and techniques used to measure national income. Students will learn basic terms like economic welfare and the different concepts like moral Hazard and market failure.

Learning Outcome:

After the sessions students will be able to use various techniques to estimate national income of a country. Students will get information about the concepts of economic welfare and its application in policy making.

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CALENDAR OF ACTIVITIES:

Weeks	Course Detail	Readings	Activities
1	Introductions One-to-one introduction Course Introduction, Teaching & Assessment Methodology Introducing Economics & Society Need for Economics in the society	Chapter 1	
2	Historical Perspective of Economics Adam Smith Economics, Alfred Marshals Economics & Robbin Role Micro and Macro Economics Markets and Economics	Chapter 2	In Class Assignment.1
3	Utility and Consumer Behaviour Cardinal and ordinal Approach Goods (Normal, Giffen, Inferior) Consumer Surplus	Chapter 3	Quiz.1
4	Demand and Supply concept Demand curve, Supply curve Law of Demand and Supply	Chapter 4	Assignment.2
5	Mathematical Economics	Chapter 3	
6	Introduction to Elasticity Demand Elasticity Supply Elasticity	Chapter 4	Quiz.2
7	Introduction to Elasticity Demand Elasticity Supply Elasticity Elasticity practice Qs.	Chapter 2-4	
8	Production, Inputs, Costs Total, average and marginal costs Profits and Total Average, and Marginal Revenue Analysis of Marginal and Average revenues Fixed cost Vs Variable costs Relationship between total, average, and marginal data		
9	Introduction to Markets Types of Markets		Group discussion
10	Macro Economics Competition Aggregate Demand Aggregate Supply		Assignment 3
11	Equilibrium, Industry Inflation		

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12	GDP and its types, inflation, deflation and stagflation		Quiz.3
13	Measuring National Income GDP and its types		
14	Economic Welfare, Externalities Market failure, Imperfect competition Moral Hazard		
15	End Term		

Recommended Book (s) & Text:

- Micro Economics By: Hugh Gravelle
- Macro Economics By R. Glenn Hubbard
- Micro Economics By Stephen L. Slavin
- Principals of Economics by Mankiw, N. Gregory

E-Resources:

Available e- resources for the course.

ASSESSMENT METHODOLOGY

Assignments	15
Quizzes	30
Class Participation	15
Attendance	5
Final Term Exam	35
Total	100

** Subject to the nature of the course as for qualitative and quantitative*