



Instructors: Prof. Dr. Wilhelm Althammer

Org-unit: MBA

Credits: 3,0

**Language of instruction:** English

**Learning objectives and outcomes:**

The course “Managerial Economics” is an introductory course to microeconomic theory and decision theory. The main goal is to promote the development of rigorous economic reasoning.

After the course, students should be able

- to conduct a graphical analysis of price determination on competitive and monopolistic markets,
- to use the concept of rationality in game theoretic reasoning and see the limitations of this approach to explain real world behavior,
- to understand the role of the government intervention into market economies in the face of market imperfections and apply the theory of market failures to concrete examples.

**Content:**

- The analysis of economic decisions of individuals and firms.
- The interaction of demand and supply on markets and the role of competition.
- The efficiency of markets, the role of the government and the analysis of government policies.

**Teaching Methods:**

Lectures, Exercise Sessions, Quizzes, Individual Work.

**Conditions of Participation:**

Admission to the HHL full-time Master Program in General Management (MBA).

**Application, combination and frequency:**

The course is part of the core module “Business Fundamentals” and can only be chosen in combination with all other courses of the module. The contents are matched with the other lectures within the module “Business Fundamentals”. The course is held once a year.

**Conditions for credit points and grades:**

Credit points are awarded for passing the module “Business Fundamentals”. The module is passed if the weighted average of the single grades of the courses is 4.0 or better. The grade of the course is determined by the weighted average of the single grades of the examinations.

**The course contains the following examinations:**

- one written exam (70 %) and
- quizzes (30 %).

Grades range from 1 to 5 (very good to failing).

**Workload:**

The course “Managerial Economics” accounts for 3 ECTS, which are equivalent to a total workload of 90 hours (approx. 24 hours of classes and 66 hours of preparation and self study).

**Duration:**

The course extends over one term.

**Literature:**

Baye, Michael, Managerial Economics and Business Strategy, 2010