



BEA110

Economics for Business

Semester 3, 2009

School of Economics and Finance

Faculty of Business

Unit Outline

Dr Sarah Jennings (Microeconomics)

Dr Graeme Wells (Macroeconomics)

Table of Contents

Contact Details	3
Unit Details	3
Unit Description	4
Learning Outcomes	4
Generic Graduate Attributes	4
Prior Knowledge/Skills	4
Pre-requisites/Co-requisites Units	4
Texts, References and Learning Resources	5
Prescribed Text(s)	5
Recommended Readings	5
Other publications	5
E- (electronic) resources	5
Teaching Arrangements	6
Self-Paced Learning	6
Teaching Sessions	6
Daily Study Guides	6
Netshow Recorded Lectures	6
In-Class Tests	6
Quick Quizzes	6
Office Hours	6
Teaching Schedule	7
Assessment	8
Your Final Mark / How to Pass this Unit	9
Unit feedback	9
Mobile Phone Policy	9
Occupational Health and Safety (OH&S)	9
Learning Expectations and Strategies	9
Expectations	9
Learning Strategies	10
Additional Assistance	11
Help resolving concerns about this unit	11
Bachelor of Economics Course Coordinator	11

Contact Details

Lecturers

Microeconomics: Dr Sarah Jennings
Campus: Hobart
Email: sarah.jennings@utas.edu.au
Phone: 03 6226 2828
Fax: 03 6226 7587
Room Number: Chemistry Building, Room 329
Consultation Hours: 2-3pm Monday to Friday.

Macroeconomics: Dr Graeme Wells
Campus: Hobart
Email: graeme.wells@utas.edu.au
Phone: 03 6226 2284
Fax: 03 6226 7587
Room Number: Chemistry Building, Room 329
Consultation Hours: 3-4pm Monday to Friday.

Unit Details

Unit Title: Economics for Business
Unit Code: BEA110
School: Economics & Finance
Faculty: Business
Campus & Mode: Hobart, MyLO supported
Unit Weight: 12.5%
Prerequisite(s): None
Teaching Staff: Dr Sarah Jennings and Dr Graeme Wells

Unit Description

This unit introduces students to a wide range of micro and macro economic concepts that can be used by managers to address issues of real importance to business performance. Students will be shown how the standard economic approach to decision making can help managers to form successful competitive strategies and to run more profitable firms. Students will also be able to develop an appreciation of how aspects of the macroeconomic environment within which business operates function.

Learning Outcomes

On completion of this unit you should be able to:

- define and display an understanding of a number of key economic concepts;
- know how these key economic concepts can be used by managers to improve business performance;
- demonstrate a broad knowledge of a number of economic issues that are important to business.
- apply sound skills of economic reasoning and elementary analysis to a range of specific business oriented economic issues;
- display an understanding of how basic graphical techniques are used to support economic analysis.

Generic Graduate Attributes

This unit adds to the generic attributes of graduates in the following ways:

Knowledge

- Students should acquire a sound knowledge of a number of fundamental micro and macro economic concepts and gain an appreciation of some key, business oriented economic issues.

Communication Skills

- The development of student's verbal communication skills will be promoted through encouraging participation in tutorials, and two written assignments will contribute to the development of their written competency. Extensive use of graphs and data interpretation will also enhance student's numerical communication skills.

Problem Solving

- Students should be able to apply the economic way of thinking to solve a range of practical, business oriented problems such as "how much to produce?" and "what price to charge?"

Global Perspective

- Students will be introduced to the economics of the open economy, including theories of exchange rate determination and will develop a basic understanding of the place of the Australian economy in the world economy.

Prior Knowledge/Skills

- Students do not need to have studied economics before, however a basic proficiency in English language skills and in constructing and interpreting simple graphs is assumed.

Pre-requisites/Co-requisites Units

- None

Texts, References and Learning Resources

Prescribed Text(s)

It is essential that you have ready access to the prescribed texts. These books are available from the University Bookshop. Second-hand copies of the first edition of *Principles of Macroeconomics* are also acceptable.

Frank, R., Jennings, S. and Bernanke, B. (2009), *Principles of Microeconomics*, 2nd edition, Mc Graw-Hill.

and

Bernanke, B., Olekalns, N. and Frank, R. (2008), *Principles of Macroeconomics*, 2nd edition McGraw Hill.

Recommended Readings

Many students find it useful to consult alternative references as part of their study program. Some useful alternative references which have been placed in the Reserve Section of the Morris Miller Library are:

Heyne, P. (1997), *The Economic Way of Thinking*, (eighth edition), Prentice-Hall Inc.

Gans, J, S. King, R. Stonecash and N.G. Mankiw (2005), *Principles of Economics*, (third edition), Cengage Learning.

Shlomo M. (1994), *Executive Economics, 10 Essential Principles for Managers*, The Free Press.

Littleboy, B. and J. Taylor (2006), *Macroeconomics* (third edition), Wiley.

Frost, L. and J. Taylor (2006), *Microeconomics* (third edition), Wiley.

Other publications

Reading relevant newspapers, journals and magazines can also prove useful in broadening your knowledge of the economy and topical issues and can prove good practice for developing your ability to apply economics to the real world and in particular to business issues.

E- (electronic) resources

MyLO (My Learning Online)

Unit materials are available via the UTAS online learning management system MyLO (previously WebCT Vista).

To access MyLO:

- From the UTAS webpage: www.utas.edu.au > click on Current Students > MyLO.
- This will take you to the Learning Online website where you can:
 - Access important information about setting up your home computer for MyLO
 - Login to MyLO using your UTAS username and email password.
 - Access self-help guides on how to use MyLO.

For technical support contact the Service Desk:

- In person: Morris Miller Library, Hobart or Launceston Campus Library
- Email: servicedesk@utas.edu.au
- Phone: 1818 (if you are off-campus 1300 304903)

For questions relating to unit materials, contact your lecturer.

Teaching Arrangements

Self-Paced Learning

It is highly desirable that self-paced learning in this unit begins during December 2008. You should work through the Quantitative Skills Assessment Worksheet, available on MyLO, during December. Other materials available on MyLo are organised around the 10 four-hour teaching/workshop sessions in January.

Teaching Sessions

There will be 10 four-hour workshops in the unit, in the Chemistry Building, Room 329. The workshops will be daily sessions from 9.00am – 1.00pm. For Module 1 the sessions run from Monday 5th January to 9th January. Module 2 sessions will be held on Monday 19th January to 23rd January.

The workshop room is marked by a red dot in the Chemistry building, on the campus map available at http://www.utas.edu.au/campus/Sandy_Bay_Base_Map.PDF.

It is assumed that you have reviewed the 'lecture' material before each session, and you are expected to fully participate in class discussion. The main emphasis in each session will be on covering the main points, working through the discussion questions, and (on Wednesday, Thursday and Friday of each of the two weeks) completing a short-answer test. **Before each of these sessions**, you should consult the following:

Daily Study Guides

Daily Study Guides can be accessed on MyLO. These guides provide an outline of the lecture content for the day, identify key learning objectives and prescribe readings. Study Guides also contain useful links to other resources, including Worksheets which provide topical illustrations of material covered in lectures and additional self-study exercises.

Netshow Recorded Lectures

These lectures provide a narrated PowerPoint slideshow. This slideshow may differ slightly from the PowerPoint slides used in workshops – these can also be accessed as a separate file on MyLO.

Workshop Exercises

About half of each workshop will be directed to working through, and discussing, exercises that highlight key features of the material. It is essential that you review and attempt these exercises before each workshop.

In-Class Tests

For each in-class test, a set of 5 examinable questions will be posted on MyLO before commencement of the teaching week. As the last activity for each workshop, students will be assigned one of the 5 examinable questions at random to complete in 12 minutes. Graded tests, together with notes on the questions will be distributed the following day. Notes will also be posted on MyLo.

Quick Quizzes

Self-paced Quick Quizzes provide students with an opportunity to monitor their understanding of core material. These can be accessed on MyLO. These quizzes are useful preparation for the multiple choice section of the final exam. Students who have difficulty with Quick Quiz questions should seek assistance from staff in the teaching sessions.

Office Hours

All students are able to consult the unit lecturers on an individual or small group basis during office hours or by appointment. Students experiencing difficulty in the unit are urged to make use of this service as soon as they feel that there is a problem.

Teaching Schedule

Day	Topic
Dec 2008	Microeconomics (Module 1) – Self-paced learning
	Microeconomics (Week 1: 5 January to 9 January)
1	Introduction to unit What is microeconomics? Learning to think as an economist. Markets and market structure – an overview Supply, demand and equilibrium – an introduction
2	Demand The fundamentals Demand and the rational spending rule Demand and buyer welfare Demand and elasticity
3	Production and costs Key cost concepts Costs in the short-run Costs in the long-run
4	Profit maximisation decisions What is economic profit? The profit-maximising rule Applying the rule – three cases
5	Price discriminating strategies What is price discrimination? Why firms price discriminate? Conditions for price discrimination Three types of price discrimination Price discrimination and the law
Jan 14 to Jan 18	Macroeconomics (Module 2) – Self-paced learning
	Macroeconomics (Week 2: 19 January to 23 January)
6	Measuring: National product Prices Inflation Real interest rates Productivity
7	Aggregate demand, real interest rate and inflation
8	Expected inflation, aggregate supply and the determination of output and inflation
9	Aggregate demand and aggregate supply
10	Basic concepts of the open economy Unit review and feedback

Assessment

Your overall grade in this unit will be determined by your performance in a final exam and in-class tests.

Final Exam (3 hours)	70%
In-class tests	30%

The exam period will be between 2 February and 6 February 2009.

Continuous Assessment in the unit will consist of the following, six (6) in-class tests – each worth 5%.

In-class tests	
Dates	Three tests will be held in each of the two teaching sessions, on Wednesday, Thursday and Friday – six tests in total.
Task Length	12 minutes.
Content	For each in-class test, a set of 5 examinable questions will be posted on MyLO before commencement of the teaching week. As the last activity for each teaching session, students will be assigned one of the 5 examinable questions at random to complete in 12 minutes. Graded tests, together with notes on the questions will be distributed the following day. Notes will also be posted on MyLO.
Format	Each of the 5 questions will comprise a statement which students will be asked to assign to one of three categories (True, False, Ambiguous), and then provide a short explanation. Most of the 5 marks available for each of the 4 in-tutorial tests will be given for the explanation. A sample will be posted on the web (well before the first test).
Policy on missed tests	<p>If for some unforeseen reason you are unable to complete your test in the normal time, you should sit the test after one of the other teaching sessions in the relevant week.</p> <p>If you are unable to attend an in-class test in the correct week for medical or other significant reason you should complete the form 'Request to sit a test at an alternative time'. The blank form can be found on the MyLO site for this unit or alternatively you can download a copy from the School web page at: www.utas.edu.au/ecofin/home/teaching.htm .</p> <p>A make-up in-class test (covering material for all 6 micro and macro tests) will be organised at the end of the macro module. The time for this test will be announced in class and, together with a list of eligible students and the test questions will be posted on the unit web site.</p>
Contribution to Final Mark	30% (5 marks for each test).

Format of Final Examination

The final examination is worth 70% of the total mark. It has the same format as the 2007 and 2008 exams for BEA100 –it comprises five parts:

Part A: 30 Multiple choice questions, 15 on micro, and 15 on macro:	20 marks
Part B: (micro) Attempt any three of the four questions:	15 marks
Part C: (micro) Attempt each of the two questions:	25 marks
Part D: (macro) Attempt any three of the four questions:	15 marks
Part E: (macro) Attempt each of the two questions:	25 marks

Your Final Mark / How to Pass this Unit

Your final mark for this unit is determined by your internal assessment (30%) and your examination mark (70%). In order to pass this unit your final total mark (i.e., the sum of internal and examination mark) must be 50% or higher. Final marks may be moderated.

Unit feedback

The University of Tasmania, on a regular basis, evaluates its teaching and learning environment through the Student Evaluation of Teaching and Learning (SETL) system. The University values feedback from students and from time to time you will be asked to complete a SETL evaluation for a unit of study. For more information on SETL go to <http://student.admin.utas.edu.au/setl/students/index.htm>

Mobile Phone Policy

1. Students should normally turn off their mobile phones while in lectures and workshops.
2. In case of special circumstances, such as sick children, student phones may only be left on in class if in "silent mode". Students who leave their phones on should sit near an aisle. If they receive a call they should quietly get up and leave the lecture before taking the call. This provision is meant to cater for special circumstances. Students' answering their mobile phone is disruptive and all these steps are designed to reduce the cost imposed on all.
3. In test situations mobile phones should be kept out of student hands and preferably in the student's bag or backpack – unless prior arrangement has been made with the lecturer.

Occupational Health and Safety (OH&S)

The University is committed to providing a safe and secure teaching and learning environment. In addition to specific requirements of this unit you should refer to the University's policy at: http://www.admin.utas.edu.au/hr/ohs/pol_proc/ohs.pdf

Learning Expectations and Strategies

Expectations

University's Expectations of Students

The University is committed to high standards of professional conduct in all activities, and holds its commitment and responsibilities to its students as being of paramount importance. Likewise, it holds

expectations about the responsibilities students have as they pursue their studies within the special environment the University offers. The University's Code of Conduct for Teaching and Learning states:

Students are expected to participate actively and positively in the teaching/learning environment. They must attend classes when and as required, strive to maintain steady progress within the subject or unit framework, comply with workload expectations, and submit required work on time.

Teaching Staff's Expectations of Students

You are expected to:

- i) Familiarise yourself with this document, the unit outline.
- ii) Familiarise yourself with MyLO for the electronic delivery of unit material and for various forms of communication.
- iii) To attend all classes. If you must miss a class make sure you read the lecture notes or workshop questions and solutions available on MyLO. Note that quizzes and tests are often held during class time [see assessment for more details].
- iv) Read and attempt the workshop sessions questions [available on MyLO] before they are covered and actively participate in workshop sessions.
- v) To have read the text and attended/read lectures before contacting the teaching staff to explain a concept.
- vi) To check your marked assessment with the solution set [available on MyLO] to determine your errors.
- vii) To check your UTAS email account regularly for message from teaching staff via MyLO. It is also wise to check MyLO regularly for additional material for the unit.
- viii) To check your internals marks once available and contact the teaching staff if there are any errors.

Student's Expectations of Teaching Staff

Students can expect:

- i) To have all appropriate unit material available electronically via MyLO.
- ii) The teaching staff to be available by pre-arranged appointment and in their nominated office hours to raise issues or discuss issues with the material or student performance in the unit.
- iii) That all relevant notices regarding the administration of this unit will be communicated to all students enrolled in the unit via email to your UTAS account.

Learning Strategies

If you need assistance in preparing for study please refer to your tutor or lecturer. For additional information refer to the Learning Development website: <http://www.utas.edu.au/learndev/>

If you will be using MyLO for the first time and would like some information on how to use MyLO refer to the following guide: <http://uconnect.utas.edu.au>

Some of the units you will study use video conferencing to deliver lectures and tutorials. To enable you to get the best out of a video conference please refer to the following guide.

<http://www.its.utas.edu.au/videoconf/vcstudentguide.pdf>

Additional Assistance

If you are experiencing difficulties with your studies or assignments, have personal or life planning issues, disability or illness which may affect your course of study, you should raise these with your lecturer.

Student Services staff are located in Hobart, Launceston and Burnie and provide a wide range of services to assist students, they include:

- Student Counsellor
- Disability Adviser
- Careers Adviser
- Student Employment Service

Or visit the Student Services website at : <http://student.admin.utas.edu.au/services/>

Should you require assistance in accessing the Library visit their website for more information at <http://www.utas.edu.au/library/>. Your contact Librarian for this unit is: Heather Mitchell (ext 2306)

International Services website provides information on the assistance available to international students, visit their site at : <http://www.international.utas.edu.au>

The Teaching and Learning website has a wide range of resources on study skills and learning strategies, visit their site at: <http://www.utas.edu.au/tl/students/>. For commencing students I suggest you enrol in the UniStart program.

Help resolving concerns about this unit

If you have any concerns or complaints with the administration and/or management in this unit or your Bachelor of Economics (BEc) course of either a general or personal nature, then you might in the first instance discuss the matter with your lecturer. If you feel that you would rather discuss the issue with an independent person within the School of Economics and Finance, then contact: **Paul Blacklow, School of Economics and Finance, Room 406, email Paul.Blacklow@utas.edu.au**

If the matter is still unresolved and you would like to know who to contact or the procedures for resolving your concern refer to the following website: http://www.admin.utas.edu.au/ac_serv/complaints_info.html

The Hobart based Tasmanian University Union (TUU) or the Launceston/Burnie based Student Association (SA) may also be able to assist.

Bachelor of Economics Course Coordinator

If you require assistance with your course please see:

Course coordinator:	Dr Michael Brooks
Campus:	Hobart, Commerce Building, Level 4, Room 401
Contact	03 6226 2286