ECO 3320 - Managerial Economics

Spring 2026 Syllabus, Section 260, CRN 27443

Instructor Information

Hyeonjin Im
Email: hyeonjin.im@tamiu.edu
Office: 213A WTC
Office Hours:
Mon 11:00 am - Noon
Thur 11:30 am - 1:00 pm

Times and Location

TR 7:35pm-8:55pm in Western Hemispheric Trade Ctr 104

Course Description

Application of economic analysis for decision making in business; relationship between the firm, consumers and the marketplace; market structures, pricing policies, production possibilities and planning. Prerequisites: ECO 2301, ECO 2302, MATH 1324 and MATH 1325.
Intnl Banking&Finance Studies Department, Sanchez School of Business

Additional Course Information

Course Description

This course introduces the application of economic models and rational choice to business decision-making, grounded in the principles of microeconomics. Students will explore how managers make strategic decisions regarding market structure, costs, profits, and competition. Topics include an overview of managerial economics, demand and supply analysis, costs of production and firm organization, market structures and output/pricing decisions, game theory and strategic pricing, the economics of information, and the role of government in the marketplace.

Why Managerial Economics?

Although managerial economics may be a new subject for many students, it plays a critical role in understanding business decision-making. In this field, we examine how firms make economic choices based on profits, costs, and resource constraints with the goal of achieving efficiency. This course helps students understand how managers make informed decisions to achieve the best possible outcomes.

By the end of the semester, students will be able to explain how firms behave as producers in the goods market, including how they decide what to produce and how much to produce. Students will also develop their own informed perspectives on the role of firms in the economy and the responsibilities of managers in guiding strategic decisions.

Program Learning Outcomes

Course Objectives

This course provides an introduction to the theory of microeconomics with a focus on its application to managerial decision-making. Emphasis is placed on how managers allocate resources, set prices using demand and supply analysis, and make strategic choices regarding profit maximization, cost minimization, and responses to government regulations and market structures.

By the end of this course, students will be able to:

- **CO1:** Apply the economic way of thinking to individual and business decisions, with particular emphasis on the role of opportunity costs.
- **CO2:** Explain how prices are determined in markets, analyze the distribution of benefits in the form of consumer and producer surplus, and evaluate the consequences of government intervention.
- **CO3:** Identify the different types of production costs and assess how they influence decision-making in the short run and long run.
- **CO4:** Derive and interpret the equilibrium conditions for cost minimization and profit maximization.
- **CO5:** Explain the principal–agent problem and evaluate why different forms of managerial compensation exist.
- **CO6:** Compare the four basic market structures—perfect competition, monopoly, and oligopoly—and determine how price and output are set within each.
- **CO7:** Apply game theory to analyze and explain a variety of strategic business decisions.

Student Learning Outcomes

By the end of this course, students will be able to:

- **LO1: Analyze Individual and Business Decisions** – Employ the concept of opportunity cost to assess and make informed individual and managerial economic decisions.
- **LO2: Evaluate Market Dynamics** – Explain how prices are determined in markets and analyze the impacts of consumer and producer surplus, as well as government interventions.
- **LO3: Assess Production Costs** – Differentiate between various types of production costs and assess their implications for short-run and long-run decision-making.
- **LO4: Optimize Economic Objectives** – Apply principles of cost minimization and profit maximization to derive equilibrium conditions in business settings.
- **LO5: Address Agency Problems** – Explain the principal–agent problem and justify the existence of various forms of compensation systems in organizational structures.
- **LO6: Examine Market Structures** – Compare the characteristics of perfect competition, monopoly, monopolistic competition, and oligopoly, including price and quantity outcomes in each.
- **LO7: Apply Game Theory** – Use game theory to predict and explain strategic business decisions in competitive and cooperative environments.

Important Dates

Visit the Academic Calendar (tamiu.edu) (https://www.tamiu.edu/academiccalendar/) page to view the term's important dates.

Textbooks

Group	Title	Author	ISBN
	Managerial Economics & Business Strategy	Jeff Prince and Michael R. Baye	9781265596293

Other Course Materials

Calculator

A calculator will be required for both homework assignments and exams.

- **Homework:** You may use a cellphone, laptop, tablet, or similar device as a calculator when completing homework assignments.
- **Exams:** For exams, only a stand-alone calculator may be used. Cellphones, tablets, laptops, or other electronic devices will **not** be permitted.
- **Type of Calculator:** A simple, financial, or scientific calculator is acceptable. While helpful, advanced models are not required.

Additional Software

- You will need the following additional software: Microsoft PowerPoint for viewing lesson presentations and Microsoft Word for viewing course files and submitting assignments. You will need to submit assignments either as Word (.docx) or PDF files.
- TAMIU Students may access online versions of this software through their Dusty Office 365 account at https://dusty.tamiu.edu/. This site also provides students access to download the Microsoft suite for educational use. See instructions for downloading the Microsoft Office suite (http://www.tamiu.edu/distance/documents/Microsoft-Office-2016-Download-Instructions.pdf).

Grading Criteria

Course Structure

This course is structured across **15 weeks of instruction**. Each week, lecture materials will be posted on Blackboard, including notes and explanations that connect directly to assigned textbook chapters and topics.

To succeed in this course, students are strongly encouraged to engage with the following learning activities:

- Complete assigned **textbook readings**
- Review **lecture slides** provided on Blackboard
- Submit **homework assignments** through Blackboard

Exams

- There will be **one midterm exam** and a **comprehensive final exam**.
- All exams will consist of multiple-choice, numerical answer, and short-writing questions and will cover material from lectures, readings, and assignments.
- The **final exam** will cover all chapters in the course.
- During exams:
  - Communication with other students is strictly prohibited.
  - Cell phones, tablets, and other electronic devices are not permitted.
  - Only stand-alone calculators may be used.
- **Make-Up Exams:**
  - Make-up exams will only be granted for valid, documented reasons.
  - The instructor must be notified in advance whenever possible.
  - Documentation must be submitted within seven (7) calendar days of the student's return.
  - Unexcused absences will result in a grade of **zero**.

Homework

- Homework will be assigned online via Blackboard.
- Each assignment will have a clearly specified due date and must be submitted by **11:59 p.m.** on the due date.
- Late work will **not** be accepted, and no make-up homework will be provided.

Quizzes in Class

- Weekly quizzes will be administered during class sessions, with at least one quiz assigned per week.
- Students must be physically present in class to take the quiz.
- Taking a quiz without attending class will be considered **academic misconduct** and will result in a grade of **zero**, regardless of performance.

Attendance

- Students are expected to attend class regularly and arrive on time.
- Up to **two absences** are allowed without penalty.
- Beginning with the **third absence**, attendance points will be deducted.
- Excused absences (due to illness, emergencies, or other reasons recognized by university policy) will not count against a student's attendance record, provided appropriate documentation is submitted.

GRADE	PERCENTAGE
A	90-100
B	80-89.99
C	70-79.99
D	60-69.99
F	Below 60

Open Boilerplate

ASSIGNMENT	VALUE
Mid-Term	20%
Final Exam	30%
Homework	30%
Quiz	10%
Attendance	10%

Schedule of Topics and Assignments

Week of	Agenda/Topic	Reading(s)	Due
1/20	Introduction Demand and Supply	Ch1 Ch2	
1/27	Demand and Supply	Ch2	HW1
2/3	Comparative statistics	Ch2	
2/10	Quantitative Demand Analysis	Ch3	HW2
2/17	Quantitative Demand Analysis	Ch3	
2/24	The production process and costs	Ch5	HW3

3/3	The production process and costs Exam	Ch5	
3/10	Spring Break	Ch5	
3/17	The production process and costs The organization of the firm	Ch5 and Ch6	HW4
3/24	The organization of the firm Managing in Competitive and Monolistic Markets	Ch6 and Ch8	
3/31	Managing in Competitive and Monolistic Markets	Ch8	HW5
4/7	Basic Oligopoly Models	Ch8	
4/14	Basic Oligopoly Models	Ch9	HW6
4/21	Game Theory	Ch10	
4/28	Game Theory	Ch10	HW7
5/5	Review on May 5 Final Exam (May 7 in Class)		

University/College Policies

Please see the University Policies below.

COVID-19 Related Policies

If you have tested positive for COVID-19, please refer to the Student Handbook, Appendix A (Attendance Rule) for instructions.

Required Class Attendance

Students are expected to attend every class in person (or virtually, if the class is online) and to complete all assignments. If you cannot attend class, it is your responsibility to communicate absences with your professors. The faculty member will decide if your excuse is valid and thus may provide lecture materials of the class. According to University policy, acceptable reasons for an absence, which cannot affect a student's grade, include:

- Participation in an authorized University activity.
- Death or major illness in a student's immediate family.
- Illness of a dependent family member.
- Participation in legal proceedings or administrative procedures that require a student's presence.
- Religious holy day.
- Illness that is too severe or contagious for the student to attend class.
- Required participation in military duties.
- Mandatory admission interviews for professional or graduate school which cannot be rescheduled.

Students are responsible for providing satisfactory evidence to faculty members within seven calendar days of their absence and return to class. They must substantiate the reason for the absence. If the absence is excused, faculty members must either provide students with the opportunity to make up the exam or other work missed, or provide a satisfactory alternative to complete the exam or other work missed within 30 calendar days from the date of absence. Students who miss class due to a University-sponsored activity are responsible for identifying their absences to their instructors with as much advance notice as possible.

Classroom Behavior (applies to online or Face-to-Face Classes)

In the classroom, students are expected to listen attentively, participate respectfully, and adhere to established rules. Behavior that interferes with the class lecture may result in disciplinary action, ensuring a productive and respectful learning environment for everyone. Any disputes over academic matters should be addressed calmly and constructively, ideally during designated times such as office hours or after class. If a student does not agree with a decision, they can request a meeting with the instructor to discuss their concerns in more detail. Should further resolution be needed, the student may escalate the matter to the department head or use formal grievance procedures as outlined in the sections below. (please refer to Student Handbook Article 4 (https://www.tamiu.edu/handbook/article-04.shtml)).

TAMIU Honor Code: Plagiarism and Cheating

As a TAMIU student, you are bound by the TAMIU Honor Code to conduct yourself ethically in all your activities as a TAMIU student and to report violations of the Honor Code. Please read carefully the Student Handbook Article 7 and Article 10 available at Student Handbook (https://www.tamiu.edu/handbook/index.shtml).

We are committed to strict enforcement of the Honor Code. Violations of the Honor Code tend to involve claiming work that is not one's own, most commonly plagiarism in written assignments and any form of cheating on exams and other types of assignments.

Plagiarism is the presentation of someone else's work as your own. It occurs when you:

1. Borrow someone else's facts, ideas, or opinions and put them entirely in your own words. You must acknowledge that these thoughts are not your own by immediately citing the source in your paper. Failure to do this is plagiarism.
2. Borrow someone else's words (short phrases, clauses, or sentences), you must enclose the copied words in quotation marks as well as citing the source. Failure to do this is plagiarism.
3. Present someone else's paper or exam (stolen, borrowed, or bought) as your own. You have committed a clearly intentional form of intellectual theft and have put your academic future in jeopardy. This is the worst form of plagiarism.

Here is another explanation from the 2020, seventh edition of the Manual of The American Psychological Association (APA):

"Plagiarism is the act of presenting the words, idea, or images of another as your own; it denies authors or creators of content the credit they are due. Whether deliberate or unintentional, plagiarism violates ethical standards in scholarship" (p. 254). This same principle applies to the illicit use of AI.

Plagiarism: Researchers do not claim the words and ideas of another as their own; they give credit where credit is due. Quotations marks should be used to indicate the exact words of another. Each time you paraphrase another author (i.e., summarize a passage or rearrange the order of a sentence and change some of the words), you need to credit the source in the text. The key element of this principle is that authors do not present the work of another as if it were their own words. This can extend to ideas as well as written words. If authors model a study after one done by someone else, the originating author should be given credit. If the rationale for a study was suggested in the discussion section of someone else's article, the person should be given credit. Given the free exchange of ideas, which is very important for the health of intellectual discourse, authors may not know where an idea for a study originated. If authors do know, however, they should acknowledge the source; this includes personal communications (p. 11). For guidance on proper documentation, consult the Academic Success Center or a recommended guide to documentation and research such as the Manual of the APA or the MLA Handbook for Writers of Research Papers. If you still have doubts concerning proper documentation, seek advice from your instructor prior to submitting a final draft.

TAMIU has penalties for plagiarism and cheating.

- **Penalties for Plagiarism**: Should a faculty member discover that a student has committed plagiarism, the student should receive a grade of 'F' in that course and the matter will be referred to the Honor Council for possible disciplinary action. The faculty member, however, may elect to give freshmen and sophomore students a "zero" for the assignment and to allow them to revise the assignment up to a grade of "F" (50%) if they believe that the student plagiarized out of ignorance or carelessness and not out of an attempt to deceive in order to earn an unmerited grade; the instructor must still report the offense to the Honor Council. This option should not be available to juniors, seniors, or graduate students, who cannot reasonably claim ignorance of documentation rules as an excuse. For repeat offenders in undergraduate courses or for an offender in any graduate course, the penalty for plagiarism is likely to include suspension or expulsion from the university.
    - *Caution*: Be very careful what you upload to Turnitin or send to your professor for evaluation. Whatever you upload for evaluation will be considered your final, approved draft. If it is plagiarized, you will be held responsible. The excuse that "it was only a draft" will not be accepted.
    - *Caution*: Also, do not share your electronic files with others. If you do, you are responsible for the possible consequences. If another student takes your file of a paper and changes the name to his or her name and submits it and you also submit the paper, we will hold both of you responsible for plagiarism. It is impossible for us to know with certainty who wrote the paper and who stole it. And, of course, we cannot know if there was collusion between you and the other student in the matter.
- **Penalties for Cheating**: Should a faculty member discover a student cheating on an exam or quiz or other class project, the student should receive a "zero" for the assignment and not be allowed to make the assignment up. The incident should be reported to the chair of the department and to the Honor Council. If the cheating is extensive, however, or if the assignment constitutes a major grade for the course (e.g., a final exam), or if the student has cheated in the past, the student should receive an "F" in the course, and the matter should be referred to the Honor Council. Additional penalties, including suspension or expulsion from the university may be imposed. Under no circumstances should a student who deserves an "F" in the course be allowed to withdraw from the course with a "W."
    - *Caution*: Chat groups that start off as "study groups" can easily devolve into "cheating groups." Be very careful not to join or remain any chat group if it begins to discuss specific information about exams or assignments that are meant to require individual work. If you are a member of such a group and it begins to cheat, you will be held responsible along with all the other members of the group. The TAMIU Honor Code requires that you report any such instances of cheating.
- **Student Right of Appeal**: Faculty will notify students immediately via the student's TAMIU e- mail account that they have submitted plagiarized work. Students have the right to appeal a faculty member's charge of academic dishonesty by notifying the TAMIU Honor Council of their intent

to appeal as long as the notification of appeal comes within 10 business days of the faculty member's e-mail message to the student and/or the Office of Student Conduct and Community Engagement. The Student Handbook provides more details.

Use of Work in Two or More Courses

You may not submit work completed in one course for a grade in a second course unless you receive explicit permission to do so by the instructor of the second course. In general, you should get credit for a work product only once.

AI Policies

Your instructor will provide you with their personal policy on the use of AI in the classroom setting and associated coursework.

TAMIU E-Mail and SafeZone

Personal Announcements sent to students through TAMIU E-mail (tamiu.edu or dusty email) are the official means of communicating course and university business with students and faculty –not the U.S. Mail and no other e-mail addresses. Students and faculty must check their TAMIU e-mail accounts regularly, if not daily. Not having seen an important TAMIU e-mail or message from a faculty member, chair, or dean is not accepted as an excuse for failure to take important action.

Students, faculty, and staff are encouraged to download the SafeZone app, which is a free mobile app for all University faculty, staff, and students. SafeZone allows you to: report safety concerns (24/7), get connected with mental health professionals, activate location sharing with authorities, and anonymously report incidents. Go to SafeZone (https://www.tamiu.edu/adminis/police/safezone/index.shtml) for more information.

Copyright Restrictions

The Copyright Act of 1976 grants to copyright owners the exclusive right to reproduce their works and distribute copies of their work. Works that receive copyright protection include published works such as a textbook. Copying a textbook without permission from the owner of the copyright may constitute copyright infringement. Civil and criminal penalties may be assessed for copyright infringement. Civil penalties include damages up to $100,000; criminal penalties include a fine up to $250,000 and imprisonment. Copyright laws do not allow students and professors to make photocopies of copyrighted materials, but you may copy a limited portion of a work, such as article from a journal or a chapter from a book for your own personal academic use or, in the case of a professor, for personal, limited classroom use. In general, the extent of your copying should not suggest that the purpose or the effect of your copying is to avoid paying for the materials. And, of course, you may not sell these copies for a profit. Thus, students who copy textbooks to avoid buying them or professors who provide photocopies of textbooks to enable students to save money are violating the law.

Students with Disabilities

Texas A&M International University seeks to provide reasonable accommodations for all qualified persons with disabilities. This University will adhere to all applicable federal, state, and local laws, regulations and guidelines with respect to providing reasonable accommodations as required to afford equal education opportunity. It is the student's responsibility to register with the Office of Disability Services for Students located in Student Center 124. This office will contact the faculty member to recommend specific, reasonable accommodations. Faculty are prohibited from making accommodations based solely on communications from students. They may make accommodations only when provided documentation by the Office of Disability Services for Students.

For accommodations or assistance with disabilities, contact the Disability Coordinator, Karla Pedraza, at karla.pedraza@tamiu.edu, call 956.326.2763, or visit Student Center 124.

Student Attendance and Leave of Absence (LOA) Policy

As part of our efforts to assist and encourage all students towards graduation, TAMIU provides
LOA's for students, including pregnant/parenting students, in accordance with the Attendance Rule (Section 3.07) and the Student LOA Rule (Section 3.08), which includes the "Leave of Absence Request" form. Both rules can be found in the TAMIU Student Handbook (URL: Student Handbook (https://www.tamiu.edu/handbook/index.shtml)).

Pregnant and Parenting Students

Under Title IX of the Education Amendments of 1972, harassment based on sex, including harassment because of pregnancy or related conditions, is prohibited. A pregnant/parenting student must be granted an absence for as long as the student's physician deems the absence medically necessary. It is a violation of Title IX to ask for documentation relative to the pregnant/parenting student's status beyond what would be required for other medical conditions. Students who experience or observe alleged or suspected discrimination due to their pregnant/parenting status, should report to the TAMIU Title IX Coordinator (Lorissa M. Cortez, 5201 University Boulevard, KLM 159B, Laredo, TX 78041, TitleIX@tamiu.edu, 956.326.2857) and/or the Office of Civil Rights (Dallas Office, U.S. Department of Education, 1999 Bryan Street, Suite 1620, Dallas, TX 75201-6810, 214.661.9600). You can also report it on TAMIU's anonymous electronic reporting site, *Report It*, at https://www.tamiu.edu/reportit (https://www.tamiu.edu/reportit/index.shtml).

TAMIU advises a pregnant/parenting student to notify their professor once the student is aware that accommodations for such will be necessary. It is recommended that the student and professor develop a reasonable plan for the student's completion of missed coursework or assignments.

The Office of Compliance (Lorissa M. Cortez, lorissam.cortez@tamiu.edu) can assist the student and professor in working out the reasonable accommodation. For other questions or concerns regarding Title IX compliance related to pregnant/parenting students, contact the Title IX Coordinator. In the event that a student needs a leave of absence for a substantial period of time, TAMIU urges the student to consider a Leave of Absence (LOA) as outlined in the TAMIU *Student Handbook*.#As part of our efforts to assist and encourage all students towards graduation, TAMIU provides LOAs for students, including pregnant/parenting students, in accordance with the Attendance Rule and the Student LOA Rule.#Both rules can be found in the TAMIU *Student Handbook*.

For parenting-related rights, accommodations, and resources, contact the Parenting Liaison, Mayra Hernandez, at mghernandez@tamiu.edu, call 956.326.2265, or visit Student Center 226.

For pregnancy-related rights, accommodations, and resources, contact the TIX Coordinator, Lorissa Cortez, at lorissaM.cortez@tamiu.edu, call 956.326.2857, or visit Killam Library 159.

Anti-Discrimination/Title IX

TAMIU does not discriminate or permit harassment against any individual on the basis of race, color, sex, religion, national origin, age, disability, genetic information, veteran status, educational programs, or employment. If you would like to file a complaint relative to Title IX or any civil rights violation, please contact the TAMIU Director of Equal Opportunity and Diversity/Title IX Coordinator, Lorissa M. Cortez, 5201 University Boulevard, Killam Library 159B, Laredo, TX 78041, TitleIX@tamiu.edu, 956.326.2857, via the anonymous electronic reporting website, ReportIt (https://www.tamiu.edu/reportit) and/or the Office of Civil Rights (Dallas Office), U.S. Department of Education, 1999 Bryan Street, Suite 1620, Dallas, TX 75201-6810, 214.661.9600.

Incompletes

Students who are unable to complete a course should withdraw from the course before the final date for withdrawal and receive a "W." To qualify for an "incomplete" and thus have the opportunity to complete the course at a later date, a student must meet the following criteria:

1. The student must have completed 90% of the course work assigned before the final date for withdrawing from a course with a "W", and the student must be passing the course;
2. The student cannot complete the course because an accident, an illness, or a traumatic personal or family event occurred after the final date for withdrawal from a course;
3. The student must sign an "Incomplete Grade Contract" and secure signatures of approval from the professor and the college dean.
4. The student must agree to complete the missing course work before the end of the next long semester; failure to meet this deadline will cause the "I" to automatically be converted to an "F"; extensions to this deadline may be granted by the dean of the college. This is the general policy regarding the circumstances under which an "incomplete" may be granted, but under exceptional circumstances, a student may receive an incomplete who does not meet all of the criteria above if the faculty member, department chair, and dean recommend it.

WIN Contracts

The Department of Biology and Chemistry does not permit WIN contracts. For other departments within the college, WIN Contracts are offered only under exceptional circumstances and are limited to graduating seniors. Only courses offered by full-time TAMIU faculty or TAMIU instructors are eligible to be contracted for the WIN requirement. However, a WIN contract for a course taught by an adjunct may be approved, with special permission from the department chair and dean. Students must seek approval before beginning any work for the WIN Contract. No student will contract more than one course per semester. Summer WIN Contracts must continue through both summer sessions.

Student Responsibility for Dropping a Course

It is the responsibility of the student to drop the course before the final date for withdrawal from a course. Faculty members, in fact, may not drop a student from a course without getting the approval of their department chair and dean.

Independent Study Course

Independent Study (IS) courses are offered only under exceptional circumstances. Required courses intended to build academic skills may not be taken as IS (e.g., clinical supervision and internships). No student will take more than one IS course per semester. Moreover, IS courses are limited to seniors and graduate students. Summer IS course must continue through both summer sessions.

Grade Changes & Appeals

Faculty are authorized to change final grades only when they have committed a computational error or an error in recording a grade, and they must receive the approval of their department chairs and the dean to change the grade. As part of that approval, they must attach a detailed explanation of the reason for the mistake. Only in rare cases would another reason be entertained as legitimate for a grade change. A student who is unhappy with his or her grade on an assignment must discuss the situation with the faculty member teaching the course. If students believe that they have been graded unfairly, they have the right to appeal the grade using a grade appeal process in the Student Handbook and in the Faculty Handbook.

Final Examination

All courses in all colleges must include a comprehensive exam or performance and be given on the date and time specified by the Academic Calendar and the Final Exam schedule published by the Registrar's Office. In the College of Arts & Sciences all final exams must contain a written component. The written component should comprise at least 20% of the final exam grade. Exceptions to this policy must receive the approval of the department chair and the dean at the beginning of the semester.

Mental Health and Well-Being

The university aims to provide students with essential knowledge and tools to understand and support mental health. As part of our commitment to your well-being, we offer access to Telus Health, a service available 24/7/365 via chat, phone, or webinar. Scan the QR code to download the app and explore the resources available to you for guidance and support whenever you need it. The Telus app is available to download directly from TELUS (tamiu.edu) (https://www.tamiu.edu/counseling/telus/) or from the Apple App Store and Google Play.