

**City University of Hong Kong
Course Syllabus**

**offered by Department of Economics and Finance
with effect from Semester A 2017/18**

Part I Course Overview

Course Title: Microeconomics for Business Strategy

Course Code: EF3440

Course Duration: 1 Semester

Credit Units: 3

Level: B3

Proposed Area:
(for GE courses only)

Arts and Humanities

Study of Societies, Social and Business Organisations

Science and Technology

Medium of Instruction: English

Medium of Assessment: English

Prerequisites: CB2400 Microeconomics (formerly named as Economics I) or
FB2400 Economics I
(Course Code and Title)

Precursors: Nil
(Course Code and Title)

Equivalent Courses: EF3440A Microeconomics for Business Strategy
EF3442 Intermediate Microeconomics
(Course Code and Title)

Exclusive Courses: Nil
(Course Code and Title)

Part II Course Details

1. Abstract

This course aims at providing students with an understanding of microeconomic concepts, analyses, their applications in the real world and the core concepts of modern microeconomics. Students will apply these concepts to real life cases and the business world and examine the usefulness of various economic models by testing them with case studies. By engaging in these exercises, students further strengthen their discovery skills in economics of the firm.

2. Course Intended Learning Outcomes (CILOs)

(CILOs state what the student is expected to be able to do at the end of the course according to a given standard of performance.)

No.	CILOs [#]	Weighting* (if applicable)	Discovery-enriched curriculum related learning outcomes (please tick where appropriate)		
			A1	A2	A3
1.	Demonstrate a solid understanding of the traditional microeconomic theory of individuals' and firms' behaviors; discover the interrelations between theories and their applications.	25%		√	
2.	Apply economic theories to real-world decision making in various business environments; make use of the knowledge acquired from the lectures to analyze real life issues in various industries and develop their problem solving skills.	25%	√	√	√
3.	Analyze and predict the outcome of strategic interactions among individuals and/or firms. Technical analysis will be conducted to predict and model firms' cost function and profitability.	25%	√	√	√
4.	Comprehend and explain the economic importance of market imperfections, such as transactions costs, uncertainty, asymmetric information, and externalities; interpret the impact of market imperfections and evaluate the institutions and regulations to come up with innovative solutions to maximize social welfare.	25%	√	√	√
		100%			

* If weighting is assigned to CILOs, they should add up to 100%.

[#] Please specify the alignment of CILOs to the Gateway Education Programme Intended Learning outcomes (PILOs) in Section A of Annex.

A1: Attitude

Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

A2: Ability

Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to real-life problems.

A3: Accomplishments

Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

3. Teaching and Learning Activities (TLAs)

(TLAs designed to facilitate students' achievement of the CILOs.)

TLA	Brief Description	CILO No.				Hours/week (if applicable)
		1	2	3	4	
Lectures	Basic theories and concepts are explained in the lectures. Lecturer encourages students to think critically and logically by asking them to respond to questions and getting students to solve the problems by themselves as part of discovery learning.	√	√	√	√	3 hours per week
Assignments	Students will solve the questions by using MSOffice Excel. Questions also include mathematics which required deep understanding of the underlying economic rationale and its mathematical interpretations.	√	√	√	√	
Midterm examination	The mid-term test contains multiple-choice questions and short essay questions. The short essays will be based on current issues and will develop students' ability to make use of the information from the case study to carry out an analysis of the current issues.	√	√	√	√	

4. Assessment Tasks/Activities (ATs)

(ATs are designed to assess how well the students achieve the CILOs.)

Assessment Tasks/Activities	CILO No.				Weighting*	Remarks
	1	2	3	4		
Continuous Assessment: 50%						
Midterm examination	√	√	√	√	20%	
Class participation	√	√	√	√	5%	
Case Studies	√	√	√	√	15%	
Homework assignments	√	√	√	√	10%	
Examination: 50% (duration: 2 hours, if applicable)						
Final exam	√	√	√	√	50%	
					100%	

* The weightings should add up to 100%.

The final examination contains both multiple choice questions and essay questions. The essay questions will help students integrate theories and concepts and develop students' problem solving skills. This reflects the accomplishments of discovery and innovation.

Students are required to pass both coursework and examination components in order to pass the course.

5. Assessment Rubrics

(Grading of student achievements is based on student performance in assessment tasks/activities with the following rubrics.)

Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B, B-)	Fair (C+, C, C-)	Marginal (D)	Failure (F)
Midterm examination	Understand the theoretical concepts and frameworks, and be able to apply them to real world as well as hypothetical problems.	High	Significant	Moderate	Basic	Below marginal levels
Class participation	Attend classes and participate in class discussions.	High	Significant	Moderate	Basic	Below marginal levels
Case Studies	Understand the theoretical concepts and frameworks, and be able to apply them to real world as well as hypothetical problems.	High	Significant	Moderate	Basic	Below marginal levels
Homework assignments	Understand the theoretical concepts and frameworks, and be able to apply them to real world as well as hypothetical problems.	High	Significant	Moderate	Basic	Below marginal levels
Final Examination	Understand the theoretical concepts and frameworks, and be able to apply them to real world as well as hypothetical problems.	High	Significant	Moderate	Basic	Below marginal levels

Part III Other Information (more details can be provided separately in the teaching plan)

1. Keyword Syllabus

Supply and demand, Indifference curves, Production costs, Perfect vs. Monopolistic competition, Oligopoly, Game theory, Pricing strategies, Asymmetric information, and Market failure

2. Reading List

2.1 Compulsory Readings

(Compulsory readings can include books, book chapters, or journal/magazine articles. There are also collections of e-books, e-journals available from the CityU Library.)

1.	Managerial Economics and Business Strategy by Michael R. Baye, McGraw-Hill (Latest Edition)
2.	Intermediate Microeconomics: A Modern Approach by Hal R. Varian, W. W. Norton & Co., (Latest Edition)

2.2 Additional Readings

(Additional references for students to learn to expand their knowledge about the subject.)