

**DR. BABASAHEB AMBEDKAR OPEN UNIVERSITY**  
**SCHOOL OF COMMERCE & MANAGEMENT**  
**B.B.A. (Bachelor of Business Administration)**  
**(SEMESTER –4 Credit -4)**  
**Managerial Economics**

<b>Sr. No.</b>	<b>Unit</b>	<b>Writers Name and Contact No.</b>
<b>1</b>	<b>Understanding Managerial Economics</b> <ul style="list-style-type: none"> <li>○ Introduction</li> <li>○ Concept and Definition</li> <li>○ Characteristics and Importance</li> <li>○ Positive and Normative Aspects</li> <li>○ Scope and Applications</li> <li>○ Decision-Making Tools</li> <li>○ Exercise</li> </ul>	
<b>2</b>	<b>Economic Concepts Applicable to Business</b> <ul style="list-style-type: none"> <li>○ Introduction</li> <li>○ Production and Resource Allocation</li> <li>○ Consumption and Demand</li> <li>○ Cost and Price Determination.</li> <li>○ Market Competition</li> <li>○ Profit and Measures</li> <li>○ Optimization in Business Decisions</li> <li>○ Exercise</li> </ul>	
<b>3</b>	<b>Production and Cost Analysis (Managerial Aspect)</b> <ul style="list-style-type: none"> <li>○ Introduction</li> <li>○ Managerial Role in Production</li> <li>○ Short-Run vs. Long-Run Decisions</li> <li>○ Input–Output Choices</li> <li>○ Cost Analysis for Managers</li> <li>○ Economies and Diseconomies of Scale</li> <li>○ Productivity and Efficiency Improvement</li> <li>○ Exercise</li> </ul>	
<b>4</b>	<b>Production Function</b> <ul style="list-style-type: none"> <li>○ Introduction</li> <li>○ Meaning</li> <li>○ Laws of Production</li> <li>○ Short run and long run perspective</li> <li>○ Productivity Measures</li> <li>○ Isoquant Analysis</li> <li>○ Economic Region of Production</li> <li>○ Impact of Technology</li> <li>○ Exercise</li> </ul>	
<b>5</b>	<b>Cost Concepts</b> <ul style="list-style-type: none"> <li>○ Introduction</li> <li>○ Introduction to Cost Analysis</li> <li>○ Types of Cost Concepts</li> </ul>	

	<ul style="list-style-type: none"> <li>○ Accounting Cost vs. Economic Cost</li> <li>○ Fixed and Variable Costs</li> <li>○ Production Costs</li> <li>○ Exercise</li> </ul>	
<b>6</b>	<b>Cost - Output Relationship</b> <ul style="list-style-type: none"> <li>○ Introduction</li> <li>○ Marginal Cost (MC) and Average Cost (AC)</li> <li>○ MC–AC Relationship</li> <li>○ Long-Run Cost Curves</li> <li>○ Cost Function Estimation</li> <li>○ Cost Elasticity and MES</li> <li>○ Strategic Application</li> <li>○ Exercise</li> </ul>	
<b>7</b>	<b>Break-Even Analysis</b> <ul style="list-style-type: none"> <li>○ Introduction</li> <li>○ Concept and Meaning of Break-Even Analysis (BEA)</li> <li>○ Representation of Break-Even Point through Chart/Graph</li> <li>○ Formula for Calculating Break-Even Point (BEP)</li> <li>○ Key Assumptions of Break-Even Analysis</li> <li>○ Limitations of BEA</li> <li>○ Practical Problems</li> <li>○ Exercise</li> </ul>	
<b>8</b>	<b>Market Structures</b> <ul style="list-style-type: none"> <li>○ Introduction</li> <li>○ Meaning of a Market</li> <li>○ Product and Factor Markets</li> <li>○ Types of Market Structures</li> <li>○ Markets by Time Element</li> <li>○ Market Economy Framework</li> <li>○ Exercise</li> </ul>	
<b>9</b>	<b>Pricing Decisions and Policies</b> <ul style="list-style-type: none"> <li>○ Introduction</li> <li>○ Goals and Objectives of Pricing Policy</li> <li>○ Key Factors Influencing Pricing Decisions</li> <li>○ Various Pricing Methods</li> <li>○ Pricing Policies</li> <li>○ Skimming Price Strategy</li> <li>○ Penetration Pricing Method</li> <li>○ Price Discrimination</li> <li>○ Exercise</li> </ul>	
<b>10</b>	<b>Business Strategy and Game Theory</b> <ul style="list-style-type: none"> <li>○ Introduction</li> <li>○ Introduction to Strategy</li> <li>○ Goals and Objectives</li> <li>○ Levels of Strategy</li> <li>○ Competitive Advantage</li> <li>○ Introduction to Game Theory</li> <li>○ Types of Games (Concepts only)</li> <li>○ Exercise</li> </ul>	
<b>11</b>	<b>Profit Management and Maximisation</b> <ul style="list-style-type: none"> <li>○ Introduction</li> <li>○ Meaning of profit in economics vs. accounting</li> <li>○ Role in Economy</li> <li>○ Nature of Profit</li> <li>○ Sources of Profit</li> <li>○ Profit Policy</li> <li>○ Profit Planning</li> </ul>	

	<ul style="list-style-type: none"> <li>○ Profit Maximisation</li> <li>○ MC=MR in Practice</li> <li>○ Exercise</li> </ul>	
<b>12</b>	<b>Investment and Capital Budgeting Decisions</b> <ul style="list-style-type: none"> <li>○ Introduction</li> <li>○ Meaning and Concept of capital budgeting</li> <li>○ Importance in managerial economics</li> <li>○ Stages of Project Planning</li> <li>○ Investment Criteria</li> <li>○ Risks in investment</li> <li>○ Exercise</li> </ul>	
<b>13</b>	<b>Behavioural Economics in Business Decisions</b> <ul style="list-style-type: none"> <li>○ Introduction</li> <li>○ Rationality vs. Bounded Rationality</li> <li>○ Common Biases in Decisions</li> <li>○ Prospect Theory and Risk</li> <li>○ Designing Better Choices</li> <li>○ Use in Marketing and Customers</li> <li>○ Use in Management and Organizations</li> <li>○ Exercise</li> </ul>	
<b>14</b>	<b>Managerial Economics and Business Ethics</b> <ul style="list-style-type: none"> <li>○ Introduction</li> <li>○ Role of ethics in economic decisions</li> <li>○ Corporate governance</li> <li>○ Social responsibility of business</li> <li>○ Ethical pricing &amp; sustainable decisions</li> <li>○ Exercise</li> </ul>	