

EC229-15 Economics of Strategy

26/27

Department

Economics

Level

Undergraduate Level 2

Module leader

Jo Turrall

Credit value

15

Module duration

10 weeks

Assessment

Multiple

Study location

University of Warwick main campus, Coventry

Description

Introductory description

EC229-15 Economics of Strategy

[Module web page](#)

Module aims

To develop the concepts and insights gained from Economics for Business which mainly explores short run business issues. This module will examine the longer run aspects of business and the economic environment in which companies operate in order to equip students with an understanding of fundamental concepts in micro and macroeconomics, as relevant for the study of strategic decisions of firms; develop a range of appropriate analytical skills, including descriptive, graphical and elementary mathematical methods used in the economic analysis of strategy; develop in students the capacity to apply analytical techniques to real world business problems and strategy choices.

Outline syllabus

This is an indicative module outline only to give an indication of the sort of topics that may be covered. Actual sessions held may differ.

The module will typically cover the following topics:

- Business economic approaches to business performance and strategy; Internal economics of firms.
- Costs in long run.
- Investment in physical and human capital. Intertemporal decisions; Firms and consumers in the market place.
- Indifference curve analysis of product choice and savings.
- Imperfect information; Exposure and macroeconomy recap of economics for business; Interest rates and financial markets; Understanding aggregate demand and aggregate supply.
- Price levels, inflation and unemployment. The importance of expectations; Exchange rates, exchange rate regimes fixed and floating.
- Optimum currency areas; Current macro issues e.g. oil prices, global imbalances; The long run.
Illustrating how and exploring why GDP growth rates differ across countries and through time; Imperfect product markets.
- Differentiation, monopolistic competition and monopoly, barriers to entry; Strategic rivalry.
- Oligopoly, game theory, entry deterrence; Growth strategies.
- Horizontal and vertical growth, diversification; Governance and regulation.
- Market failure and government failure; Imperfect labour markets.
- The economics of trades unions; Summary of the economic approach to strategy.

Learning outcomes

By the end of the module, students should be able to:

- Subject-Specific/Professional Skills:...produce concise and analytical reports relating to economic problems and issues.
- Cognitive Skills:...analyse and formulate models for understanding and solving problems.
- Cognitive Skills:...analyse competing models and hypotheses in a critical way.
- Subject-Specific/Professional Skills:...select and apply appropriate economic models and techniques to particular problems relating to business and industry.
- Subject knowledge and understanding:...demonstrate knowledge of economic trends, institutions and policies, especially in the context of strategic decisions of businesses.
- Subject knowledge and understanding:...abstract and simplify basic economic problems through the application of simple theoretical models.
- Key Skills:...communicate knowledge and understanding of economics in written, spoken, graphical and in elementary mathematical forms.
- Key Skills:...present the output of their own work to an audience. Work effectively on team projects.
- Key Skills:...conduct individual and collaborative research into an Economic topic, using world wide web and library resources.
- Subject knowledge and understanding:...understand key concepts in Economics, such as long run cost curves, human capital investment, yield curves, IS/LM, aggregate supply/aggregate demand models, imperfect competition.

Indicative reading list

[Reading lists can be found in Talis](#)

[Specific reading list for the module](#)

Subject specific skills

Applied Economics
Economic information
Economic principles
Research and debate
Abstraction
Analysis of incentives
Analytical reasoning
Analytical thinking and communication
Creative thinking
Critical thinking
Policy evaluation
Problem solving
Strategic thinking

Transferable skills

Data-based skills
IT skills
Numeracy and quantitative skills
Research skills
Information technology
Math, Statistical, data-based research skills
Oral communication
Written communication

Study

Study time

Type	Required
Lectures	10 sessions of 1 hour (7%)
Seminars	8 sessions of 1 hour (5%)
Online learning (scheduled sessions)	10 sessions of 1 hour (7%)
Private study	122 hours (81%)
Total	150 hours

Private study description

Private study will be required in order to prepare for seminars/classes, to review lecture notes, to prepare for forthcoming assessments, tests, and exams, and to undertake wider reading around the subject.

Costs

No further costs have been identified for this module.

Assessment

You do not need to pass all assessment components to pass the module.

Students can register for this module without taking any assessment.

Assessment group B6

	Weighting	Study time	Eligible for self-certification
Centrally-timetabled examination (On-campus)	100%		No

A paper which examines the course content and ensures learning outcomes are achieved.

- Students may use a calculator
- Answerbook Pink (12 page)

Assessment group R2

	Weighting	Study time	Eligible for self-certification
In-person Examination	100%		No

A paper which examines the course content and ensures learning outcomes are achieved.

- Students may use a calculator

Feedback on assessment

The Department of Economics is committed to providing high quality and timely feedback to students on their assessed work, to enable them to review and continuously improve their work.

We are dedicated to ensuring feedback is returned to students within 20 University working days of their assessment deadline. Feedback for assignments is returned either on a standardised assessment feedback cover sheet which gives information both by tick boxes and by free comments or via free text comments on tabula, together with the annotated assignment. For tests and problem sets, students receive solutions as an important form of feedback and their marked assignment, with a breakdown of marks and comments by question and sub-question. Students are informed how to access their feedback, either by collecting from the Undergraduate Office or via tabula. Module leaders often provide generic feedback for the cohort outlining what was done well, less well, and what was expected on the assignment and any other common themes. This feedback also includes a cumulative distribution function with summary statistics so students can review their performance in relation to the cohort. This feedback is in addition to the individual-specific feedback on assessment performance.

[Past exam papers for EC229](#)

Availability

Pre-requisites

EC131 Economics for Business

This module is not available for Economics students.

To take this module, you must have passed:

- All of
 - [EC131-15 Economics for Business](#)

Post-requisite modules

If you pass this module, you can take:

- EC354-15 Topics in Development Economics 1 for Finalists
- EC335-15 Managerial Economics
- EC205-15 Topics in Development Economics 1
- EC204-30 Economics 2
- EC238-15 Economics 2: Microeconomics
- EC239-15 Economics 2: Macroeconomics

Courses

This module is Optional for:

- Year 2 of UIBA-NN35 Undergraduate Accounting and Finance
- Year 2 of UIBA-N140 Undergraduate International Business
- Year 2 of UIBA-N1RA Undergraduate International Business with French

- Year 2 of UIBA-N1R2 Undergraduate International Business with German
- Year 2 of UIBA-N1RB Undergraduate International Business with German
- Year 2 of UIBA-N1RC Undergraduate International Business with Italian
- UIBA-N220 Undergraduate International Management (with Foundation Year)
 - Year 2 of N220 International Management (with Foundation Year)
 - Year 2 of N221 International Management with Accounting (with Foundation Year)
 - Year 2 of N226 International Management with Chinese (with Foundation Year)
 - Year 2 of N223 International Management with Digital Business (with Foundation Year)
 - Year 2 of N224 International Management with Entrepreneurship (with Foundation Year)
 - Year 2 of N222 International Management with Finance (with Foundation Year)
 - Year 2 of N227 International Management with French (with Foundation Year)
 - Year 2 of N225 International Management with Marketing (with Foundation Year)
 - Year 2 of N228 International Management with Spanish (with Foundation Year)
 - Year 2 of N229 International Management with Strategy and Organisation (with Foundation Year)
- Year 3 of UIBA-MN31 Undergraduate Law and Business Studies