

# MICROECONOMICS

## SYLLABUS

July 2020

*Written & Delivered By:*



# PEREGRINE

— GLOBAL SERVICES —

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**ACADEMICS • LEADERSHIP • PUBLICATIONS**

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## **MICROECONOMICS**

### **Overview**

Microeconomics focuses on the individual actions of sellers (producers) and buyers (consumers) and how those actions have consequences for the availability, distribution, and utilization of scarce resources. An understanding of microeconomics explains decisions at the organizational level – businesses, companies, and nonprofit entities. Leveraging the foundational principles of microeconomics is essential for designing strategy, particularly in the sales and marketing functions. This module examines the areas of consumer choice, supply and demand, market elasticity, and production and costs.

This module is intended as a review of the key concepts, fundamentals, and foundations of the discipline.

### **Learners**

This module is designed for learners who require an overview of the discipline. The module is commonly used in an academic leveling (transition to graduate education) or business review (capstone) course or program.

The module may qualify for Continuing Education Units (CEU) for professional certifications depending on the professional association.

### **Module Authors**

The author for this module is Peregrine Global Services headquartered in Gillette Wyoming and includes materials from a variety of sources as indicated within the module.

### **Learning Outcomes**

The learning outcomes for the module are as follows. With the completion of this module, learners should be able to:

1. Understand scarcity.
2. Understand choice and how it is linked to scarcity.
3. Understand why people make trade-offs.
4. Understand opportunity cost.

5. Understand how rational people make decisions at the margins.
6. Understand incentives.
7. Understand the role of supply and demand in economics.
8. Understand the concept of elasticity in its various forms.

### **Curriculum**

<b><u>Section</u></b>	<b><u>Topics</u></b>
Section 1: Scarcity, Choice, and Opportunity Cost	<ul style="list-style-type: none"> <li>• Scarcity</li> <li>• Choice</li> <li>• Trade-offs</li> <li>• Opportunity Cost</li> <li>• Thinking at the Margins</li> <li>• Incentives</li> </ul>
Section 2: Supply and Demand	<ul style="list-style-type: none"> <li>• Markets</li> <li>• Law of Demand</li> <li>• Market Demand vs. Individual Demand</li> <li>• Change in Demand vs. Change in Quantity Demanded</li> <li>• Law of Supply</li> <li>• Market Supply vs. Individual Supply</li> <li>• Change in Supply vs. Change in Quantity Supplied</li> <li>• Shifts in Both Supply and Demand</li> </ul>
Section 3: Elasticity	<ul style="list-style-type: none"> <li>• Price Elasticity of Demand</li> <li>• Classifications of Price Elasticity of Demand</li> <li>• Total Revenue vs. Price</li> <li>• Price Elasticity of Supply</li> <li>• Income Elasticity of Demand</li> <li>• Cross-Price Elasticity of Demand</li> </ul>
Section 4: Production and Costs	<ul style="list-style-type: none"> <li>• Price Elasticity of Demand</li> <li>• Profit Maximization – Marginal Analysis</li> <li>• Accounting Profit vs. Economic Profit</li> <li>• Production Function and Marginal Productivity</li> <li>• Production Costs and Cost Curves</li> </ul>

	<ul style="list-style-type: none"> <li>• Isoquants</li> <li>• Scale</li> <li>• Cost Curve Shifts</li> </ul>
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### **Delivery**

The module is delivered using Peregrine’s Learning Management System (LMS) known as CMAD. Course instruction is with asynchronous online learning activities.

### **Assessment**

Throughout the module, there are in-progress quizzes and short exercises to ensure understanding of the instructional content. A completion certificate is issued when the learner obtains at least 80% on the final exam.

### **Hours and Articulation**

Learner hours are shown in the following table. The hours are based on both the time within the module and time away from the module conducting application activities.

<b><u>Section</u></b>	<b><u>Hours</u></b>
Pre-test	0.25
Section 1: Scarcity, Choice, and Opportunity Cost	0.50
Section 2: Supply and Demand	1.5
Section 3: Elasticity	1.5
Section 4: Production and Costs	1
Post-test	0.25
<b>Total Hours</b>	<b>5</b>