

Managerial Economics Final Assessment: Outline & Rubric

Final Assessment Outline Managerial Economics

Competency Name: Managerial Economics

Competency Statement: Apply macroeconomic and microeconomic theories in making economic business decisions in forecasting.

Final Assessment Title: Managerial Economics Portfolio

Competency Objectives:

1. Identify the six steps to decision-making and apply them in formulating an economic-related business decision.
2. Develop an understanding of marginal analysis and use it to make optimal decisions.
3. Demonstrate an understanding of the forecasting models used to determine demand.

Program Learning Outcomes: PLO 4 – Technology: Apply technology to support decision making in businesses; leadership.

Institutional Learning Outcomes: N/A

Purpose of This Assessment

The final assessment for this competency is a portfolio consisting of a paper and spreadsheet that utilizes economic forecasting to display how economics is related to managerial decision-making. The paper must use the six steps to decision-making in analyzing venture, and address economic, competitive, technology, market, and currency trends and conditions. In addition, it is important consider how to reach optimal decisions while taking into consideration key economic concepts, including supply and demand. You will later use this forecast for the Implementing and Monitoring Business Plan capstone competency.

Items Required for Submission

- A 5 - 10 page Economic Forecast paper
- An Excel spreadsheet of your data using a forecasting model

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Step ONE: Preparation

Review the six steps of decision making and forecasting models to gain a clear understanding of these managerial economic concepts.

- Select an organization that you would like to use to complete this portfolio that would provide you with the insights needed complete both a qualitative assessment of the six steps of decision making, as well as an economic forecast using approximated data. This may be an organization at which you work/volunteer, or you may use the new venture or existing privately owned business that you identified in the Strategic Fundamentals and Environment competency.
- Keep in mind that your paper should include at least five references to outside materials. This can include the company Website, articles regarding the industry, publications about forecasting, and any references regarding economic concepts.

Step TWO: Write Introduction to your Economic Forecast Paper

Now that you have selected an organization to analyze within this portfolio, provide a brief introduction to the organization. This should provide the reader with a general understanding of the company and set the stage for the use of the six steps of decision making. Describe the organization using business concepts. For example:

- Is it a product or service based company?
- What is the scope of the company (local, regional, nationwide, international, etc.)
- What type of industry is this?
- How many employees does the company have?
- What is (are) the company's primary objective(s)?

Step THREE: Apply the Six Steps of Decision Making in your Economic Forecast Paper

1) Define the Problem

- Explain one issue that the organization is facing.
 - Describe if this problem is internal (primarily impacting employees) or external (primarily impacting stakeholders' customers, investors, etc.) to the organization.
 - Explain how this issue impacts the organization internally and externally. Whom does it impact (departments, customers, employees, stakeholders, etc.)?
 - How long has this been an issue?
 - How did this issue originate (if known)?
- Include references to five sources that will help to explain the industry, organization, or problem.

2) Determine the Objective

- Explain in depth the objectives of the organization and how the previously identified problem impacts the organization's goals.
- The following are some questions that provide points of consideration for this section of your paper:
 - What is the organization's goal(s)?
 - How much value does the organization have for this goal(s)?
 - If there are multiple goals, do they conflict?

3) Explore the Alternatives

- Examine potential alternatives for solving the problem. Explain each of the diverse courses of action that can be taken, and identify at least three different alternatives.

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- The following provides additional points of consideration for this section of your paper:
 - What are the variables under the decision maker's control?
 - What constraints limit these options?
 - Consider potential costs when developing your list of alternatives and mention some of these quantitative values to strengthen your paper.
- 4) Predict the Consequences
- Based on the alternatives that you identified in the previous step, examine potential consequences for each of these outcomes.
 - If the conditions change, how is the outcome affected for each of the alternatives?
 - If outcomes are uncertain, what is the likelihood of each?
 - Can better information be acquired to predict outcomes? If so, explain what type of information.
 - Develop an itemized table in your paper to identify costs associated with each of these alternatives. Briefly explain these costs and use the table to track these options along with their costs on a monthly or yearly basis. Please refer back to the sample application of the six steps to decision making for an example.
- 5) Make a Choice
- Determine which of the alternatives is the best option moving forward for the organization, based on your prediction consequences. Provide justification for your choice using quantitative or qualitative data from your assessment of the consequences and/or table from the previous step.
- 6) Perform a Sensitivity Analysis
- Identify external factors that could potentially impact the organization now that you have made this choice. For instance, consider questions such as the following:
 - Does the optimal decision change if conditions of the problem are altered; and if so, how?
 - Is the choice sensitive to key economic variables about which the decision maker is uncertain?
 - Provide any recommendations for the organization and explain how your findings could impact the future of the organization.

Note that your paper must meet the following requirements:

- Use APA format and demonstrate academic writing, displaying clarity, conciseness, and correctness
- Be 5 to 10 pages in length, double-spaced, using Times New Roman, 12 point font

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Step FOUR: Conclusion

Briefly explain what has been covered throughout your paper. Provide a recap of the six steps as well as any overall comments. Do not introduce new ideas or concepts within your conclusion.

Step FIVE: Forecast Demand

Now that you have completed the six steps to decision making, forecast the demand that your organization will experience. Use a spreadsheet to complete a monthly or yearly breakdown of the demand for products or services for your organization. Next, graph this data using a scatter plot and add a trend line to the data to assess what the forecast would display for the organization going forward.

Step SIX: Checklist for Submission

Before you submit, check to see if you believe you have met the criteria noted below.

Did you....

- Use business concepts to provide the reader with a clear understanding of the company?
- Explain the issue the organization is facing, including if the problem is internal, how it impacts the organization, and how long it has been an issue?
- Include at least five references from independent research?
- Explain the objectives of the organization and how the problem impacts the organization's goals?
- Examine at least three potential alternatives for solving the problem, considering potential costs and discussing these quantitative values?
- Examine potential consequences of the alternatives?
- Include an itemized table explaining the costs associated with each alternative and tracking each option?
- Identify which of the alternatives is the best option, justifying the choice using quantitative or qualitative data?
- Identify external factors that could impact the organization?
- Provide recommendations for the organization and explain how findings could impact the future of the organization?
- Use technology to develop a spreadsheet to display your understanding of economic forecasting?
- Demonstrate APA academic writing and a sophisticated presentation of all material, displaying clarity, conciseness, and correctness? Is your paper 5–10 pages in length and double-spaced, using Times New Roman, 12 point font?

Step SEVEN: Submit Your Work (Items 1 & 2)

- Your completed final assessment documents should be submitted through the Final Assessment page of your competency.

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Final Assessment Rubric Managerial Economics

Criterion	EMERGING (1)	DEVELOPING (2)	PROFICIENT (3)	EXEMPLARY
Introduction	Introduction provides the reader with a vague understanding of the company. Does not use or minimally uses business concepts such as including identifying if the company is product or service based, company scope, type of industry, number of employees, and primary objectives.	Introduction somewhat provides the reader with an understanding of the company. Uses some business concepts, such as identifying if the company is product or service based, company scope, type of industry, number of employees, and primary objectives.	Introduction provides the reader with a reasonable understanding of the company using business concepts, including most of the following: if the company is product or service based, company scope, type of industry, number of employees, and primary objectives.	Introduction provides the reader with a clear understanding of the company using business concepts, including all of the following: if the company is product or service based, company scope, type of industry, number of employees, and primary objectives.
Define the Problem	Paper vaguely explains or does not explain the issue the organization is facing. Paper does not include or vaguely mentions if the problem is internal, how it impacts the organization, how long it has been an issue, and how it originated. Fewer than three references from independent research are included.	Paper somewhat explains the issue the organization is facing, including some of the following: if the problem is internal, how it impacts the organization, how long it has been an issue, and how it originated. At least three references from independent research are included.	Paper reasonably explains the issue the organization is facing, including most of the following: if the problem is internal, how it impacts the organization, how long it has been an issue, and how it originated. Five references from independent research are included.	Paper explains the issue the organization is facing in detail, including all of the following: if the problem is internal, how it impacts the organization, how long it has been an issue, and how it originated. At least five references from independent research are included.
Determine the Objective	Paper vaguely explains or does not explain the objectives of the organization; may or may not describe how the problem impacts the organization's goals.	Paper somewhat explains the objectives of the organization and how the problem impacts the organization's goals.	Paper reasonably explains the objectives of the organization and how the problem impacts the organization's goals.	Paper explains in depth the objectives of the organization and how the problem impacts the organization's goals.
Explore the Alternatives	Paper vaguely examines or does not examine potential alternatives for solving the problem. Paper does not	Paper examines one or two potential alternatives for solving the problem, somewhat explaining the	Paper examines three potential alternatives for solving the problem, reasonably explaining the courses of action that can	Paper examines in depth at least three potential alternatives for solving the problem, explaining in detail

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	consider potential costs involved in the alternatives.	courses of action that can be taken. Paper may or may not consider potential costs involved in the alternatives.	be taken. Paper considers potential costs involved in the alternatives and mentions these quantitative values.	the diverse courses of action that can be taken. Paper considers potential costs involved in the alternatives and discusses these quantitative values.
Predict the Consequences	Paper vaguely examines or does not examine potential consequences of the alternatives. Paper may or may not describe how changes in conditions will affect the outcome, and may or may not include the type of information needed to better predict outcomes. Paper does not include a table explaining the costs associated with each of these alternatives.	Paper somewhat examines potential consequences of the alternatives, including how changes in conditions will affect the outcome, and explains some of the information needed to better predict outcomes. A table is included that somewhat explains the costs associated with each of these alternatives.	Paper reasonably examines potential consequences of the alternatives, including how changes in conditions will affect the outcome, and explains the type of information needed to better predict outcomes. An itemized table is included that reasonably explains most of the costs associated with each of these alternatives and tracks each option along with costs on a monthly or yearly basis.	Paper examines in depth potential consequences of the alternatives, including how changes in conditions will affect the outcome, and explains in detail the type of information needed to better predict outcomes. An itemized table is included that clearly explains the costs associated with each of these alternatives and tracks each option along with costs on a monthly or yearly basis.
Make a Choice	Paper vaguely identifies or does not identify which of the alternatives is the best option. Paper may or may not justify the choice.	Paper somewhat identifies which of the alternatives is the best option, providing some justification for the choice.	Paper identifies which of the alternatives is the best option, providing reasonable justification for the choice using quantitative or qualitative data from the assessment of the consequences.	Paper identifies which of the alternatives is the best option, providing excellent justification for the choice using quantitative or qualitative data from the assessment of the consequences.
Perform a Sensitivity Analysis	Paper vaguely identifies or does not identify external factors that could potentially impact the organization. Paper may or may not provide recommendations for the organization.	Paper identifies one or two external factors that could potentially impact the organization, somewhat considering whether the optimal decision changes if conditions of the problem are altered, and if the choice is sensitive to key economic variables. Paper provides one or two recommendations for the organization and somewhat	Paper identifies external factors that could potentially impact the organization, providing reasonable consideration for whether the optimal decision changes if conditions of the problem are altered, and if the choice is sensitive to key economic variables. Paper provides some recommendations for the organization and explains how	Paper identifies several external factors that could potentially impact the organization, considering whether the optimal decision changes if conditions of the problem are altered, and if the choice is sensitive to key economic variables. Paper provides several recommendations for the organization and explains how

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		explains how findings could impact the future of the organization.	findings could impact the future of the organization.	findings could impact the future of the organization.
Conclusion	Paper vaguely explains or does not explain what has been covered, and may or may not recap the six steps.	Paper somewhat explains what has been covered, providing a partial recap of the six steps.	Paper explains what has been covered, providing a recap of the six steps and overall comments. No new ideas or concepts are introduced.	Paper clearly and succinctly explains what has been covered, providing a detailed recap of the six steps and relevant comments. No new ideas or concepts are introduced.
Forecast Demand	Student does not approximate monthly or yearly values of the demand for products or services for the organization and does not include a visual representation of the data in any format (scatter plot, bar graph, etc.).	Student somewhat approximates monthly or yearly values of the demand for products or services for the organization. Displays a graph of the data but does not include a trend line.	Student uses a spreadsheet to approximate monthly or yearly values of the demand for products or services for the organization. Paper displays a scatter plot of the data with a trend line to present the concept of forecasting.	Student innovatively and creatively uses a spreadsheet to approximate monthly or yearly values of the demand for products or services for the organization. Paper clearly displays a scatter plot of the data with a trend line to present the concept of forecasting.
APA Writing Skills	Does not use APA effectively or demonstrate academic writing in a clear, concise, or correct manner. The paper is not 5 to 10 pages in length, although it may be double-spaced, using Times New Roman, 12 point font. There are more than eight grammar, punctuation or APA errors.	Uses APA and demonstrates academic writing displaying some clarity, conciseness, and correctness. The paper is 5 to 10 pages in length, double-spaced, using Times New Roman, 12 point font. There are more than five grammar, punctuation or APA errors.	Uses APA and demonstrates academic writing with a presentation of all material, displaying clarity, conciseness, and correctness. The paper is 5 to 10 pages in length, double-spaced, using Times New Roman, 12 point font. There are three to five grammar, punctuation or APA errors.	Uses APA and demonstrates academic writing with sophisticated presentation of all material, displaying clarity, conciseness, and correctness. The paper is 5 to 10 pages in length, double-spaced, using Times New Roman, 12 point font. There are no grammar, punctuation or APA errors.
PLO 4 – Technology	Does not apply technology to support decision making.	Somewhat applies technology to support decision making through the development of a spreadsheet for forecasting.	Applies technology to support decision making through the development of a spreadsheet. for forecasting	Creatively applies technology to support decision making through the development of a spreadsheet for forecasting.