

Syllabus

Course Overview

Business leaders in all industries need to understand economics and finance in order to properly interpret factors in the market environment that will help them make effective decisions. This course combines elements of general economics and finance. You will learn about fiscal policy and monetary policy, as well as the two main schools that shape economic thought: Keynesian economics and Austrian economics.

The U.S. economy goes in cycles—a series of peaks and troughs that repeat over time but under varying time periods. This course explores the various tools that the U.S. federal government and Federal Reserve have at their disposal to shape the economy at any point in its cycle. For example, when the U.S. economy is in a recession, the federal government may choose to decrease tax rates and/or increase government spending in order to try to stimulate the economy. When the economy is overheating and has a high rate of inflation, the Federal Reserve may decide to increase short-term interest rates to slow down the economy.

You will also learn about the banking sector and the regulatory environment that impacts it, including Basel III, the Dodd-Frank Act, and the Sarbanes-Oxley Act. Additionally, you will study elasticity, economies of scale, and how companies price their products and/or services. Due to economies of scale, large firms have the advantage of lower per unit production costs than smaller firms. You should find this course particularly useful if you seek to work as an economist, regulator, or financial analyst.

Course Structure

This course includes assessments on four major themes:

Recession Analysis

Units 1–3. In these units, you will work toward producing a business report that makes well-supported fiscal and monetary recommendations to combat a hypothetical recession impacting the economy.

Inflation Analysis

Units 4–5. In these units, you will work toward producing a business report that makes well-supported fiscal and monetary recommendations to combat high levels of inflation impacting a hypothetical economy.

Organizational Review of Regulatory Policies

Units 6–7. In these units, your focus is on serving as an economic adviser to a bank seeking recommendations for navigating the current regulatory environment.

Pricing Analysis

Units 8–10. In these units, your focus is on creating a pricing plan for a manufacturer.

Course Competencies

(Read Only)

To successfully complete this course, you will be expected to:

- 1 Analyze the economic environment and the role of the federal government in establishing fiscal and monetary policies.
- 2 Analyze the impact of macroeconomic principles, theories, policies, and tools on business and financial decision making.
- 3 Evaluate the role of ethics and regulatory considerations on financial and business decision making in organizations.
- 4 Analyze how microeconomic principles impact the approach and processes by which individuals and businesses make financial decisions.
- 5 Communicate in a manner that is professional and consistent with expectations for members of the business professions.

Course Prerequisites

There are no prerequisites for this course.

Syllabus >> Course Materials

Required

The materials listed below are required to complete the learning activities in this course.

Integrated Materials

Many of your required books are available via the VitalSource Bookshelf link in the courseroom, located in your Course Tools. Registered learners in a Resource Kit program can access these materials using the courseroom link on the Friday before the course start date. Some materials are available only in hard-copy format or by using an access code. For these materials, you will receive an email with further instructions for access. Visit the [Course Materials](#) page on Campus for more information.

eBook

McConnell, C., Brue, S., & Flynn, S. (2018). *Economics* (21st ed.). New York, NY: McGraw-Hill. ISBN: 9781259723223

Mishkin, F. S. (2019). *Economics of money, banking and financial markets* (12th ed.). New York, NY: Pearson. ISBN: 9780134733821

Library

The following required readings are provided in the Capella University Library or linked directly in this course. To find specific readings by journal or book title, use [Journal and Book Locator](#). Refer to the [Journal and Book Locator library guide](#) to learn how to use this tool.

- Akan, M., Ata, B., & Savaşkan-Ebert, R. C. (2013). [Dynamic pricing of remanufacturable products under demand substitution: A product life cycle model](#). *Annals of Operations Research*, 211(1), 1–25.
- Bogan, V. L., Turvey, C. G., & Salazar, G. (2015). [The elasticity of demand for microcredit: Evidence from Latin America](#). *Development Policy Review*, 33(6), 725–757.
- Burke, P. J., & Abayasekara, A. (2018). [The price elasticity of electricity demand in the United States: A three-dimensional analysis](#). *Energy Journal*, 39(2), 123–145.
- Dalfard, V., & Nosrati, N. (2014). [A new pricing constrained single-product inventory-production model in perishable food for maximizing the total profit](#). *Neural Computing and Applications*, 24(3/4), 735–743.
- Doh, T., & Oksol, A. (2018). [Has the anchoring of inflation expectations changed in the United States during the past decade?](#) *Economic Review*, 103(1), 31–58.
- Neck, R. (2014). [Austrian economics today](#). *Atlantic Economic Journal*, 42(2), 121–122.
- Niquidet, K., & Tang, J. (2013). [Elasticity of demand for Canadian logs and lumber in China and Japan](#). *Canadian Journal of Forest Research*, 43(12), 1196–1202.
- Shi, J., Fung, R. Y. K., & Guo, J. (2016). [Optimal ordering and pricing policies for seasonal products: Impacts of demand uncertainty and capital constraint](#). *Discrete Dynamics in Nature and Society*, 1–13. doi:10.1155/2016/1801658
- Vaughn, K. I. (2013). [Austrian school of economics](#). In T. Cate (Ed.), *An encyclopedia of Keynesian economics* (2nd edition). Cheltenham, UK: Edward Elgar Publishing.
- Yuen, C. (2017). [Keynesian economics](#). In F. Moghaddam (Ed.), *The SAGE encyclopedia of political behavior* (pp. 429–434). Thousand Oaks, CA: SAGE Publications, Inc.

External Resource

Please note that URLs change frequently. While the URLs were current when this course was designed, some may no longer be valid. If you cannot access a specific link, contact your instructor for an alternative URL.

Permissions for the following links have been either granted or deemed appropriate for educational use at the time of course publication.

- Blinder, A. S. (n.d.). [Keynesian economics](#). Retrieved from <http://www.econlib.org/library/Enc/KeynesianEconomics.html>
- Federal Reserve Bank of St. Louis, Economic Research (FRED). (n.d.). [Personal consumption expenditures](#). Retrieved from <https://fred.stlouisfed.org/series/PCE>
- Federal Reserve Bank of St. Louis, Economic Research (FRED). (n.d.). [Consumer price index for all urban consumers: All items less food and energy](#). Retrieved from <https://fred.stlouisfed.org/series/CPILFESL>
- [Federal Reserve Bank of St. Louis](#). (n.d.). Retrieved from <https://www.stlouisfed.org/>
- Internal Revenue Service. (n.d.). [Tax statistics](#). Retrieved from <https://www.irs.gov/statistics>
- Moore, K. (2009). [Michael Porter on strategy during a recession \[Video\]](#). | [Transcript](#) Retrieved from <https://www.youtube.com/watch?v=kc0HGffpjmA>
- [National Bureau of Economic Research](#). (n.d.). Retrieved from <http://www.nber.org/>
- [Sarbanes-Oxley Act of 2002](#). (n.d.). Retrieved from <http://www.soxlaw.com/>
- Tax Foundation. (n.d.). [Data](#). Retrieved from <https://taxfoundation.org/data/>
- Tax Policy Center. (n.d.). [Statistics](#). Retrieved from <https://www.taxpolicycenter.org/statistics>

- U.S. Securities and Exchange Commission. (n.d.). [Implementing the Dodd-Frank Wall Street Reform and Consumer Protection Act](https://www.sec.gov/spotlight/dodd-frank.shtml). Retrieved from <https://www.sec.gov/spotlight/dodd-frank.shtml>
- York, E. (2018, January 17). [Summary of the latest federal income tax data, 2017 update](https://taxfoundation.org/summary-federal-income-tax-data-2017/). Retrieved from <https://taxfoundation.org/summary-federal-income-tax-data-2017/>

Suggested

The following materials are recommended to provide you with a better understanding of the topics in this course. These materials are not required to complete the course, but they are aligned to course activities and assessments and are highly recommended for your use.

Optional

The following optional materials are offered to provide you with a better understanding of the topics in this course. These materials are not required to complete the course.

Unit 1 >> Business Cycles and Monetary Policy

Introduction

This week you will:

- Discuss the current condition and functioning of the U.S. economy.

This unit introduces business cycles and monetary policy. The U.S. economy goes in cycles—from peaks to troughs and then the process repeats itself. A peak is the top of a business cycle, and a trough is the bottom of a business cycle. At the trough of a business cycle, the Federal Reserve—in control of U.S. monetary policy—typically engages in a dovish monetary policy of lower short-term interest rates and an increased money supply to try to improve the U.S. economy. In order to stimulate the economy, the U.S. government, in control of U.S. fiscal policy, typically implements higher government spending and lower tax rates. At a trough, the U.S. economy usually has a high unemployment rate and a low inflation rate. At the peak of a business cycle, the Federal Reserve engages in a hawkish monetary policy of higher short-term interest rates to try to reduce the likely high inflation rate in the economy. Similarly, in order to slow down the U.S. economy, the U.S. government typically implements lower government spending and higher tax rates.

MBA Program Resources

Additional resources that may be useful throughout your courses have been gathered for easy access. Refer to the MBA Program Resources link in the courseroom navigation panel to access these resources.

Learning Activities

u01d1 - U.S. Economy Evaluation

For this discussion post, evaluate the state of the current U.S. economy. Explain whether you believe the economy is strong, moderate, or weak. Is it booming, at a peak, in a trough, or headed toward a recession? Offer a careful explanation for the factors you believe have shaped the current state of the economy.

Access and review the following resources to study issues that impact business cycles, monetary policy, and the financial system:

- McConnell, C., Brue, S., & Flynn, S. (2018). *Economics* (21st ed.). New York, NY: McGraw-Hill.
 - Ch. 29, “Business Cycles, Unemployment, and Inflation,” pages 573–593.
- Mishkin, F. S. (2019). *Economics of money, banking and financial markets* (12th ed.). New York, NY: Pearson.
 - Ch. 2, “An Overview of the Financial System,” pages 22–48.
 - Ch. 15, “Tools of Monetary Policy,” pages 343–368.
- Internal Revenue Service. (n.d.). [Tax statistics](https://www.irs.gov/statistics). Retrieved from <https://www.irs.gov/statistics>
- York, E. (2018, January 17). [Summary of the latest federal income tax data, 2017 update](https://taxfoundation.org/summary-federal-income-tax-data-2017/). Retrieved from <https://taxfoundation.org/summary-federal-income-tax-data-2017/>
- Tax Foundation. (n.d.). [Data](https://taxfoundation.org/data/). Retrieved from <https://taxfoundation.org/data/>
- Tax Policy Center. (n.d.). [Statistics](https://www.taxpolicycenter.org/statistics). Retrieved from <https://www.taxpolicycenter.org/statistics>
- [Federal Reserve Bank of St. Louis](https://www.stlouisfed.org/). (n.d.). Retrieved from <https://www.stlouisfed.org/>
- [National Bureau of Economic Research](http://www.nber.org/). (n.d.). Retrieved from <http://www.nber.org/>
- [Business Cycle Chart](#).
 - This illustration depicts the business cycle.

To support and contextualize the views in your post, present clear reasons and cite timely, credible sources such as materials found in the Capella library, articles you might access using your free subscription to the *Wall Street Journal*, or the resources listed above.

Since this is the first discussion in this course, take a moment to review the Discussion Participation Scoring Guide to learn how your instructor will evaluate your discussions.

Response Guidelines

After posting your discussion, provide a substantive response to at least two other learners. Consider the insights, comments, or questions raised as a result of your peers' views and analyses. Cite sources as appropriate when supporting your views.

u01d1 - Learning Components

- Analyze business cycles, unemployment, and inflation.
- Communicate in a manner that is professional and consistent with expectations for members of the business professions.

Unit 2 >> Fiscal Policy and Taxation

Introduction

This week you will:

- Discuss the tax policies you would introduce or modify in order to improve the economy.
- Review the instructions for and begin the assignment due in Unit 3.

This unit introduces you to fiscal policy and taxation. You will learn about the two main schools of economic thought—Keynesian economics and Austrian economics. Key differences between the two approaches are highlighted in the table below.

Keynesian and Austrian Economics

Keynesian Economics	Austrian Economics
Takes a sophisticated mathematical approach to analyzing the economy.	Relies on reasoning and logic to try to figure out human behavior regarding economic matters.
Supports government interaction for fiscal policy.	Supports free markets.
Supports a fiat currency approach.	Supports the gold standard.

Keynesian Economics	Austrian Economics
Supports a corporation getting bailed out, by government intervention, during severe financial difficulty.	Supports a corporation going bankrupt, without government intervention, if it cannot remain viable during severe financial difficulty.
Recommends a proactive approach through increased government spending and lower taxes to improve an economy during a trough.	Recommends a hands-off approach whereby the economy itself will eventually correct itself during a trough.

Learning Activities

u02d1 - Tax Policy

For this post, discuss the tax policies you would introduce or modify in order to improve the economy. What changes would you make, if any, to sales tax? Would you argue that income tax laws need to be revised? If so, how? How do corporate taxes impact the American economy, and what might happen if they were changed? What other factors might accelerate economic performance in America?

Access and review the following resources that explore the relationship between fiscal policy and taxation, as well as provide helpful background on Austrian and Keynesian economics:

- McConnell, C., Brue, S., & Flynn, S. (2018). *Economics* (21st ed.). New York, NY: McGraw-Hill.
 - Ch. 5, “Government’s Role and Government Failure,” pages 102–120.
 - Ch. 20, “Public Finance: Expenditures and Taxes,” pages 399–419.

- Ch. 33, “Fiscal Policy, Deficits, and Debt,” pages 660–681.
- Blinder, A. S. (n.d.). [Keynesian economics](http://www.econlib.org/library/Enc/KeynesianEconomics.html). Retrieved from <http://www.econlib.org/library/Enc/KeynesianEconomics.html>
- [Federal Reserve Bank of St. Louis](https://www.stlouisfed.org/). (n.d.). Retrieved from <https://www.stlouisfed.org/>
- [National Bureau of Economic Research](http://www.nber.org/). (n.d.). Retrieved from <http://www.nber.org/>
- Neck, R. (2014). [Austrian economics today](#). *Atlantic Economic Journal*, 42(2), 121–122.
- Vaughn, K. I. (2013). [Austrian school of economics](#). In T. Cate (Ed.), *An encyclopedia of Keynesian economics* (2nd ed.). Cheltenham, UK: Edward Elgar Publishing.
- Yuen, C. (2017). [Keynesian economics](#). In F. Moghaddam (Ed.), *The SAGE encyclopedia of political behavior* (pp. 429–434). Thousand Oaks, CA: SAGE Publications, Inc.
- [Factors That Impact Taxes](#).
 - This illustration depicts factors that shape taxes.

To support and contextualize the views in your post, present clear reasons and cite timely, credible sources such as materials found in the Capella library, articles you might access using your free subscription to the *Wall Street Journal*, or the resources listed above.

Response Guidelines

After posting your discussion, provide a substantive response to at least two other learners. Consider the insights, comments, or questions raised as a result of your peers' views and analyses. Cite sources as appropriate when supporting your views.

Course Resources

Graduate Discussion Participation Scoring Guide

u02d1 - Learning Components

- Analyze Austrian economics.
- Communicate in a manner that is professional and consistent with expectations for members of the business professions.
- Analyze Keynesian economics.
- Analyze public expenditures and taxes.
- Analyze the government's role in the economy.
- Evaluate the current state of the U.S. economy.

u02s1 - Planning Ahead: Unit 3 Assignment

The first assignment in this course, Recession Analysis, is due next week in Unit 3.

Look ahead to Unit 3, and read the assignment instructions and scoring guide to better understand the requirements and grading criteria. You are encouraged to begin work now on the Unit 3 assignment so that you are prepared to complete it successfully next week.

Access the following resources to review issues pertaining to monetary policy and recession analysis. To further prepare, you may also choose to revisit relevant resource materials on partnership formation and operation available in previous units.

- Mishkin, F. S. (2019). *Economics of money, banking and financial markets* (12th ed.). New York, NY: Pearson.
 - Ch. 23, “Monetary Policy Theory,” pages 559–587.
 - Ch. 24, “The Role of Expectations in Monetary Policy,” pages 588–607.
 - Ch. 25, “Transmission Mechanisms of Monetary Policy,” pages 608–622.
- Moore, K. (2009). [Michael Porter on strategy during a recession \[Video\]](https://www.youtube.com/watch?v=kc0HGffpjmA) | [Transcript](#). Retrieved from <https://www.youtube.com/watch?v=kc0HGffpjmA>

u02s1 - Learning Components

- Communicate in a manner that is professional and consistent with expectations for members of the business professions.

Unit 3 >> Recession Analysis

Introduction

This week you will:

- Complete the Recession Analysis practice activity.
- Complete the Recession Analysis assignment, due at the end of the week.

This unit introduces you to recessions. It is generally thought that a recession occurs when the real GDP growth rate is negative for at least two consecutive quarters. However, with such a definition, it would have missed the first recession of this century and would have been about a year late in identifying the Great Recession. Although there is no formal agreed upon definition of a recession, a recession is generally acknowledged to be a material decline in the economy that lasts from a couple of months to over a year. In the United States, the National Bureau of Economic Research (NBER) is the official arbiter regarding the start and end dates of recessions. During a recession, the following indicators decline: real GDP, income, retail sales, employment, and manufacturing. U.S. recessions generally occur about once every nine years at this time. Although recessions are fairly rare in the United States now, the recent Great Recession, which occurred from December 2007 to June 2009, was the longest recession since the Great Depression from August 1929 to March 1933.

Learning Activities

u03s1 - Activity: Recession Analysis

In the following interactive activity, you will practice skills and concepts relevant to the Unit 3 assignment, which is due at the end of this week:

- [Recession Analysis](#).

Use the feedback provided to prepare for the Unit 3 assignment. If necessary, consider revisiting the resources provided in this or previous units.

u03s1 - Learning Components

- Practice recession analysis.
- Communicate in a manner that is professional and consistent with expectations for members of the business professions.

u03a1 - Recession Analysis

Introduction

In this assignment, you will produce a business report that makes well-supported fiscal and monetary recommendations to combat a hypothetical recession impacting the economy.

Scenario

You are an economic analyst at a large and influential investment firm. The firm's opinions influence clients directly but also indirectly influence others within the economy, including legislators, policy makers, and other actors and advocates. Your direct supervisor has requested that you create a business report that makes well-supported fiscal and monetary recommendations to combat the recession impacting the economy in this scenario. Your report will be distributed to other analysts and consultants within the firm, who will use your recommendations to advise clients.

Your Role

You are an economic analyst at a large and influential investment firm.

Requirements

Address the following in your business report (3–5 pages). Where applicable, discuss multiple and even conflicting perspectives as you provide the richest context possible for your colleagues at the investment firm:

1. Analyze indicators that tend to lead to recession starting points.
2. Explain how specific fiscal and monetary policy changes can impact a U.S. economy in recession.
 - Fiscal recommendations include decreasing taxes and increasing government spending.
 - Monetary recommendations include decreasing interest rates and increasing the money supply through open market operations.
3. Assess how Keynesian and Austrian macroeconomic approaches would address a recession differently.
 - Explain the assumptions that inform each school of economic thought.

Deliverable Format

Since you plan to share your report with your immediate supervisor and your colleagues at the investment firm, you want this report to be clear, well organized, and readable. Your supervisor has requested that your report be 3–5 pages so you have enough space to develop your ideas and provide some scholarly context. Your report is a professional document and should therefore follow the corresponding MBA Academic and Professional Document Guidelines (available in the MBA Program Resources), including single-spaced paragraphs.

- **Communication:** Communicate in a manner that is scholarly, professional, and consistent with the needs and expectations of professional colleagues and other stakeholders. For this scenario, assume that your supervisor expects original work, critical thinking, and scholarly sources. Your writing must be free of errors that detract from the overall message. Include an introduction, body, and conclusion.
- **Resources:** Include at least three resources that are scholarly and/or professional. So that your imaginary supervisor and colleagues can locate more information about recession economics, include a reference page at the end of your report.
- **Report length:** Minimum of 3–5 pages, in addition to a reference page.
- **Font and font size:** Times New Roman, 12 point.

Evaluation

By successfully completing this assignment, you will demonstrate your proficiency in the following course competencies through corresponding scoring guide criteria:

- Competency 1: Analyze the economic environment and the role of the federal government in establishing fiscal and monetary policies.
 - Analyze indicators that tend to lead to recession starting points.
 - Explain how specific fiscal and monetary policy changes may impact a U.S. economy in recession.
- Competency 2: Analyze the impact of macroeconomic principles, theories, policies, and tools on business and financial decision making.
 - Assess how Keynesian and Austrian macroeconomic approaches would address a recession differently.

- Competency 5: Communicate in a manner that is professional and consistent with expectations for members of the business professions.
 - Communicate in a manner that is professional and consistent with expectations for members of the business professions.

Your course instructor will use the scoring guide to review your deliverable as if they were your supervisor in the scenario. Review the scoring guide prior to developing and submitting your assignment.

ePortfolio

This assignment demonstrates your competency in applying knowledge and skills required of an MBA learner in the workplace. Include this in your personal ePortfolio.

Unit 4 >> Interest Rates and Monetary Policy

Introduction

This week you will:

- Discuss reasons why inflation has continued to remain comparably low for so long in America.
- Review the instructions for and begin the assignment due in Unit 5.

This unit introduces you to interest rates and monetary policy. There are three main categories of interest rates: short-term (under 3 years and specifically 3 months), intermediate-term (3–10 years), and long-term (over 10 years). The Federal Reserve has control over short-term interest rates. Market forces and inflationary expectations impact intermediate-term and long-term interest rates. During a recession, short-term interest rates decline and remain low during the trough of the economic cycle in an attempt to encourage businesses and individuals to borrow money and invest. As the economy improves, short-term interest rates increase as the Federal Reserve aims to prevent inflation from getting to an extreme level; at an economic peak, short-term interest rates are generally at their apex. The term structure of interest rates or the yield curve in graphical form illustrates the relationship between short-term, intermediate-term, and long-term interest rates. The yield curve is usually upward sloping; that is, long-term rates are higher than intermediate-term rates and short-term rates are below intermediate-term rates. During rare occasions such as before economic recessions, the yield curve tends to get inverted; that is, short-term rates are higher than intermediate-term rates and long-term rates are lower than intermediate-term rates.

Learning Activities

u04d1 - Inflation Analysis

For this post, discuss why you believe inflation has been so low for so long after the Great Recession. What factors continue to keep inflation levels comparably low even with all the quantitative easing policies? Discuss specific economic policies that impact inflation levels.

Access and review the following resources to explore the relationship between monetary policy, interest rates, and consumer behavior:

- McConnell, C., Brue, S., & Flynn, S. (2018). *Economics* (21st ed.). New York, NY: McGraw-Hill.
 - Ch. 36, "Interest Rates and Monetary Policy," pages 717–745.
- Mishkin, F. S. (2019). *Economics of money, banking and financial markets* (12th ed.). New York, NY: Pearson.
 - Ch. 5, "The Behavior of Interest Rates," pages 86–116.
 - Ch. 6, "The Risk and Term Structure of Interest Rates," pages 117–140.
- Federal Reserve Bank of St. Louis, Economic Research (FRED). (n.d.). [Personal consumption expenditures](https://fred.stlouisfed.org/series/PCE). Retrieved from <https://fred.stlouisfed.org/series/PCE>
- Federal Reserve Bank of St. Louis, Economic Research (FRED). (n.d.). [Consumer price index for all urban consumers: All items less food and energy](https://fred.stlouisfed.org/series/CPILFESL). Retrieved from <https://fred.stlouisfed.org/series/CPILFESL>

To support and contextualize the views in your post, present clear reasons and cite timely, credible sources such as materials found in the Capella library, articles you might access using your free subscription to the *Wall Street Journal*, or the resources listed above.

Response Guidelines

After posting your discussion, provide a substantive response to at least two other learners. Consider the insights, comments, or questions raised as a result of your peers' views and analyses. Cite sources as appropriate when supporting your views.

Course Resources

Graduate Discussion Participation Scoring Guide

u04d1 - Learning Components

- Analyze inflation dynamics.
- Communicate in a manner that is professional and consistent with expectations for members of the business professions.
- Analyze the relationship between interest rates and monetary policy.

u04s1 - Planning Ahead: Unit 5 Assignment

The second assignment in this course, Inflation Analysis, is due next week in Unit 5.

Look ahead to Unit 5, and review the assignment instructions and scoring guide to better understand the requirements and grading criteria. You are encouraged to begin work now on the Unit 5 assignment so that you are prepared to complete it successfully next week.

Access the following resources to explore the relationship between monetary policy and inflation. To further prepare, you may also choose to revisit relevant resource materials on partnership formation and operation available in previous units.

- Mishkin, F. S. (2019). *Economics of money, banking and financial markets* (12th ed.). New York, NY: Pearson.
 - Ch. 16, “The Conduct of Monetary Policy: Strategy and Tactics,” pages 369–402.
 - Ch. 19, “Quantity Theory, Inflation, and the Demand for Money,” pages 462–479.
- Doh, T., & Oksol, A. (2018). [Has the anchoring of inflation expectations changed in the United States during the past decade?](#) *Economic Review*, 103(1), 31–58.

u04s1 - Learning Components

- Analyze inflation dynamics.
- Communicate in a manner that is professional and consistent with expectations for members of the business professions.
- Analyze the risk and term structure of interest rates.
- Analyze the use of monetary policy to anchor inflation expectations.

Unit 5 >> Inflation Analysis

Introduction

This week you will:

- Complete the Inflation Analysis practice activity.
- Complete the Inflation Analysis assignment, due at the end of the week.

This unit introduces you to analyzing inflation. Inflation is the situation whereby there is an increase in the general level of prices for services and goods in a country. Thus, it becomes more expensive to buy various services and goods. Inflation causes a fall in the purchasing power of money. The most widely reported measure of inflation in the United States is the consumer price index (CPI). The CPI calculates the overall change in the price of services and goods for an average person's budget. Inflation has been low for a number of years after the Great

Recession. The Federal Reserve has a particular focus on trying their best to make sure inflation does not get out of hand. Inflation rates go in cycles; thus, although inflation has been low lately, that does not mean that inflation will never return to the double digit inflation rates seen during the 1970s and early 1980s.

Learning Activities

u05s1 - Activity: Inflation Analysis

In the following interactive activity, you will practice skills and concepts relevant to the Unit 5 assignment due at the end of this week:

- [Inflation Analysis](#).

Use the feedback provided to prepare for the Unit 5 assignment. If necessary, consider revisiting resources provided in this or previous units.

u05s1 - Learning Components

- Analyze inflation dynamics.
- Communicate in a manner that is professional and consistent with expectations for members of the business professions.

u05a1 - Inflation Analysis

Introduction

This assignment will prompt you to produce a business report that makes well-supported fiscal and monetary recommendations to combat high levels of inflation impacting the hypothetical economy presented in the scenario.

Scenario

You are again an economic analyst at a large and influential investment firm. The firm's opinions influence clients directly but also indirectly influence others within the economy, including legislators, policy makers, and other actors and advocates. Your direct supervisor was impressed with a recent report you submitted that performed recession analysis. She has requested that you create a similar business report that makes well-supported fiscal and monetary recommendations to combat the high level of inflation impacting a hypothetical economy. Your report will be distributed to other analysts and consultants within the firm, who will use your recommendations to advise clients.

Your Role

You are an economic analyst at a large and influential investment firm.

Requirements

Address the following in your business report (3–5 pages). Where applicable, discuss multiple and even conflicting perspectives as you provide the richest context possible for your colleagues at the investment firm:

1. Analyze the relationships between monetary policy, interest rates, and inflation.
 - Identify assumptions that underlie these relationships.
2. Explain how specific fiscal and monetary policy changes may impact a U.S. economy experiencing high inflation.
 - Fiscal policy changes may include increasing taxes and decreasing government spending.
 - Monetary policy changes may include increasing interest rates and decreasing the money supply through open market operations.
3. Assess which theory is most applicable when addressing the term structure of interest rates—the Expectations Theory, the Liquidity Preference Theory, or the Preferred Habitat Theory.
 - Explain the assumptions that inform each theory.

Deliverable Format

Since you plan to share your report with your immediate supervisor and your colleagues at the investment firm, you want this report to be clear, well organized, and readable. Your supervisor has requested that your report be 3–5 pages so you have enough space to develop your ideas and provide some scholarly context. Your report is a professional document and should therefore follow the corresponding MBA Academic and Professional Document Guidelines (available in the MBA Program Resources), including single-spaced paragraphs.

- **Communication:** Communicate in a manner that is scholarly, professional, and consistent with the needs and expectations of professional colleagues and other stakeholders. For this scenario, assume your supervisor expects original work, critical thinking, and scholarly sources. Your writing must be free of errors that detract from the overall message. Include an introduction, body, and conclusion.
- **Resources:** Include at least three resources that are scholarly and/or professional. So your imaginary supervisor and colleagues can locate more information about inflation economics, include a reference page at the end of your report.
- **Report length:** Minimum of 3–5 pages, in addition to a reference page.
- **Font and font size:** Times New Roman, 12 point.

Evaluation

By successfully completing this assignment, you will demonstrate your proficiency in the following course competencies through corresponding scoring guide criteria:

- Competency 1: Analyze the economic environment and the role of the federal government in establishing fiscal and monetary policies.
 - Analyze the relationships among monetary policy, interest rates, and inflation.
 - Explain how specific fiscal and monetary policy changes may impact a U.S. economy experiencing high inflation.
- Competency 2: Analyze the impact of macroeconomic principles, theories, policies, and tools in on business and financial decision making.
 - Assess which theory is most applicable when addressing the term structure of interest rates: the Expectations Theory, the Liquidity Preference Theory, or the Preferred Habitat Theory.
- Competency 5: Communicate in a manner that is professional and consistent with expectations for members of the business professions.
 - Communicate in a manner that is professional and consistent with expectations for members of the business professions.

Your course instructor will use the scoring guide to review your deliverable as if they were your supervisor in the scenario. Review the scoring guide prior to developing and submitting your assignment.

ePortfolio

This assignment demonstrates your competency in applying knowledge and skills required of an MBA learner in the workplace. Include this in your personal ePortfolio.

Unit 6 >> Banking Structure

Introduction

This week you will:

- Discuss the efficacy of the Dodd-Frank Act and the Sarbanes-Oxley Act.
- Review the instructions for and begin the assignment due in Unit 7.

This unit introduces you to the U.S. banking structure. There are a variety of banks, including commercial banks and investment banks. The banking industry is highly regulated, since banks have such an important impact on the economy. If a large bank fails, it could have a contagion impact on the entire economy.

The U.S. Securities and Exchange Commission is a significant regulator of publicly traded companies. A company's lenders are typically commercial banks. They assist companies in such areas as lines of credit and other short-term financial assistance. Investment banks help companies raise capital. For example, they help companies create securities that are attractive to investors, then buy these securities from the company, and

then resell them to savers. The commercial banking industry has been undergoing a period of consolidation for over two decades and is likely to continue going forward due, in part, to higher fixed regulatory costs and changing technology.

Learning Activities

u06d1 - Banking Structure

For this post, discuss whether you believe the Dodd-Frank Act and the Sarbanes-Oxley Act are successful in protecting the economy from financial crises, such as a large bank failure. As you evaluate the efficacy of these acts, describe specific mechanisms and policies enacted by each and assess their current and predicted outcomes.

Access and review the following resources that explore the banking industry structure and regulation:

- McConnell, C., Brue, S., & Flynn, S. (2018). *Economics* (21st ed.). New York, NY: McGraw-Hill.
 - Ch. 34, “Money, Banking, and Financial Institutions,” pages 683–701.
- Mishkin, F. S. (2019). *Economics of money, banking and financial markets* (12th ed.). New York, NY: Pearson.
 - Ch. 9, “Banking and the Management of Financial Institutions,” pages 188–216.
 - Ch. 11, “Banking Industry: Structure and Competition,” pages 236–267.
- [Sarbanes-Oxley Act of 2002](http://www.soxlaw.com/). (n.d.). Retrieved from <http://www.soxlaw.com/>
- U.S. Securities and Exchange Commission. (n.d.). [Implementing the Dodd-Frank Wall Street Reform and Consumer Protection Act](https://www.sec.gov/spotlight/dodd-frank.shtml). Retrieved from <https://www.sec.gov/spotlight/dodd-frank.shtml>

To support and contextualize the views in your post, present clear reasons and cite timely, credible sources such as materials found in the Capella library, articles you might access using your free subscription to the *Wall Street Journal*, or the resources listed above.

Response Guidelines

After posting your discussion, provide a substantive response to at least two other learners. Consider the insights, comments, or questions raised as a result of your peers' views and analyses. Cite sources as appropriate when supporting your views.

Course Resources

Graduate Discussion Participation Scoring Guide

- Analyze antitrust policy and regulation.
- Communicate in a manner that is professional and consistent with expectations for members of the business professions.
- Analyze banking structure and competition.
- Analyze financial regulation.
- Analyze the dynamics of financial crises.
- Analyze the Dodd-Frank Act.
- Analyze the Sarbanes-Oxley Act.

u06s1 - Planning Ahead: Unit 7 Assignment

The third assignment in this course, Organizational Review of Regulatory Policies, is due next week in Unit 7.

Look ahead to Unit 7, and review the assignment instructions and scoring guide to better understand the requirements and grading criteria. You are encouraged to begin work now on the Unit 7 assignment so that you are prepared to complete it successfully next week.

Access the following resources to explore the relationships among finance, regulation, and ethics. To further prepare, you may also choose to revisit relevant resource materials in previous units.

- McConnell, C., Brue, S., & Flynn, S. (2018). *Economics* (21st ed.). New York, NY: McGraw-Hill.
 - Ch. 21, “Antitrust Policy and Regulation,” pages 421–436.
 - Ch. 23, “Income Inequality, Poverty, and Discrimination,” pages 455–478.
- Mishkin, F. S. (2019). *Economics of money, banking and financial markets* (12th ed.). New York, NY: Pearson.
 - Ch. 10, “Economic Analysis of Financial Regulation,” pages 217–235.
 - Ch. 12, “Financial Crises,” pages 268–292.
- [Riddle: Demand and Supply, Profit and Loss](#).
 - This short multimedia piece explores why companies sometimes lobby for more regulation.

u06s1 - Learning Components

- Analyze antitrust policy and regulation.
- Communicate in a manner that is professional and consistent with expectations for members of the business professions.
- Analyze financial regulation.
- Analyze the dynamics of financial crises.

Introduction

This week you will:

- Complete the Organizational Review of Regulatory Policies practice activity.
- Complete the Organizational Review of Regulatory Policies assignment, due at the end of the week.

This unit focuses on regulatory policies. Banks face a number of costly regulations that they must follow. For example, banks need to make sure they are in compliance with the Dodd-Frank Act and Basel III. In December 2011, the U.S. Federal Reserve announced that it would implement most of the Basel III rules. Under Basel III, banks need to meet certain leverage ratios and maintain minimum capital requirements. Specially, under Basel III compared to under Basel I and Basel II, the Common Equity Tier 1 capital ratio increased from 4 percent to 4.5 percent, and the minimum Tier 1 capital jumped from 4 percent to 6 percent. The overall regulatory capital did not change at 8 percent. The leverage ratio (which is calculated as Tier 1 capital divided by the total of on- and off-balance assets minus intangible assets) can be no more than 3 percent. Under the Dodd-Frank Act, banks are required to conduct annual financial stress tests. The Sarbanes-Oxley Act is of particular interest to publicly traded banks.

Learning Activities

u07s1 - Activity: Organizational Review of Regulatory Policies

In the following interactive activity, you will practice skills and concepts relevant to the Unit 7 assignment due at the end of this week:

- [Organizational Review of Regulatory Policies](#).

Use the feedback provided to prepare for the Unit 7 assignment. If necessary, revisit the resources provided in this or previous units.

u07s1 - Learning Components

- Practice analysis of regulatory policies.
- Communicate in a manner that is professional and consistent with expectations for members of the business professions.

u07a1 - Organizational Review of Regulatory Policies

Introduction

For this assignment you will prepare an evidence-based business report that explains how relevant regulatory considerations impact a bank's business strategy, and you will supply recommendations for navigating the current regulatory environment.

Scenario

You are an economic analyst specializing in banking regulations at a consulting firm that advises a variety of client organizations—including investment firms, commercial banks, and policy advocates. Your immediate supervisor has approached you with two potential clients who need help understanding and navigating current regulatory considerations. Choose only **one** (not both) of the following clients to advise:

1. **Midwest Global Investments Bank** is currently private but interested in going public. They want to know the challenges posed by the current regulatory environment and recommendations for how to navigate them.
2. **American Central Bank** would like to change the capital requirements they are required to maintain. They want to know the challenges posed by the current regulatory environment and recommendations for how to navigate them.

Your Role

You are an economic analyst specializing in banking regulations at a consulting firm that advises a variety of client organizations—including investment firms, commercial banks, and policy advocates.

Requirements

Address the following in an evidence-based business report (3–5 pages) for the client bank you selected above:

1. Analyze the impact of the Dodd-Frank Act, the Sarbanes-Oxley Act, and similar federal policies on the current regulatory environment.
 - Discuss conflicting evidence and/or multiple perspectives to provide richer context.
2. Analyze the economic implications of operating in a specific banking sector, such as commercial banking, investment banking, or others.
 - Explain the pros and cons of the economic implications for your client bank.
3. Explain how regulatory considerations impact a specific banking sector, such as commercial banking, investment banking, or others.
 - Explain the pros and cons of these regulatory considerations for different stakeholders.
4. Explain how legal, accounting, and other administrative costs that address regulation might impact a firm's business strategy.
 - Explain how the bank's business strategy may be evaluated and adjusted in the future.

Deliverable Format

Since you are preparing this report for a valuable new client, you want this report to be clear, well organized, and readable. Your supervisor has requested that your report be 3–5 pages so you have enough space to develop

your ideas and provide some scholarly context for the client. Your report is a professional document and should therefore follow the corresponding MBA Academic and Professional Document Guidelines (located in the MBA Program Resources), including single-spaced paragraphs.

- **Communication:** Communicate in a manner that is scholarly, professional, and consistent with the needs and expectations of your client and other professional stakeholders. For this scenario, assume your consulting firm has promised original work, critical thinking, and scholarly sources. Your writing must be free of errors that detract from the overall message. Include an introduction, body, and conclusion.
- **Resources:** Include at least three resources that are scholarly and/or professional. So your bank client and other stakeholders can locate more information about banking regulations, include a reference page at the end of your report.
- **Report length:** Minimum of 3–5 pages, in addition to a reference page.
- **Font and font size:** Times New Roman, 12 point.

Evaluation

By successfully completing this assessment, you will demonstrate your proficiency in the following course competencies through corresponding scoring guide criteria:

- Competency 1: Analyze the economic environment and the role of the federal government in establishing fiscal and monetary policies.
 - Analyze the impact of the Dodd-Frank Act, the Sarbanes-Oxley Act, and similar federal policies on the current regulatory environment.
- Competency 2: Analyze the impact of macroeconomic principles, theories, policies, and tools on business and financial decision making.
 - Analyze the economic implications of operating in a specific banking sector, such as commercial banking, investment banking, or others.
- Competency 3: Evaluate the role of ethics and regulatory considerations on financial and business decision making in organizations.
 - Explain how regulatory considerations impact a specific banking sector, such as commercial banking, investment banking, or others.
- Competency 4: Analyze how microeconomic principles impact the approach and processes by which individuals and businesses make financial decisions.
 - Explain how legal, accounting, and other administrative costs that address regulation might impact a firm's business strategy.
- Competency 5: Communicate in a manner that is professional and consistent with expectations for members of the business professions.
 - Communicate in a manner that is professional and consistent with expectations for members of the business professions.

Your course instructor will use the scoring guide to review your deliverable as if they were your bank client. Review the scoring guide prior to developing and submitting your assignment.

ePortfolio

This portfolio work project demonstrates your competency in applying knowledge and skills required of an MBA learner in the workplace. Include this in your personal ePortfolio.

Unit 8 >> Elasticity

Introduction

This week you will:

- Analyze how elasticity of demand impacts a company's financial decision making.

In this unit, you will learn about elasticity. The price elasticity of demand is calculated as the percentage change in quantity demanded divided by the percentage change in price. If the number is greater than 1, then the elasticity is characterized as elastic. Under this scenario, the quantity demanded of a product has a significant response to its change in price. If the number is less than 1 but greater than 0, then the elasticity is characterized as inelastic. Under this scenario, the quantity demanded of a product has little response to its change in price. When the number equals 1, the elasticity is characterized as unitary. When there are a number of substitutes to a product, that increases the probability that the elasticity of demand will be elastic instead of inelastic. Also, if a product is a discretionary purchase in contrast to a necessary purchase, that increases the probability that the elasticity of demand will be elastic instead of inelastic.

Learning Activities

u08d1 - Elasticity

For this post, discuss how elasticity of demand impacts a company's decisions to change prices on their products. How does price elasticity of demand work, and what tests or other data do companies need to consider as they use elasticity in their financial and business decision making?

Access and review the following resources that explore the function of elasticity within the realm of demand and supply:

- McConnell, C., Brue, S., & Flynn, S. (2018). *Economics* (21st ed.). New York, NY: McGraw-Hill.
 - Ch. 3, "Demand, Supply, and Market Equilibrium," pages 47–75.
 - Ch. 6, "Elasticity," pages 122–138.

- Bogan, V. L., Turvey, C. G., & Salazar, G. (2015). [The elasticity of demand for microcredit: Evidence from Latin America](#). *Development Policy Review*, 33(6), 725–757.
- Burke, P. J., & Abayasekara, A. (2018). [The price elasticity of electricity demand in the United States: A three-dimensional analysis](#). *Energy Journal*, 39(2), 123–145.
- Niquidet, K., & Tang, J. (2013). [Elasticity of demand for Canadian logs and lumber in China and Japan](#). *Canadian Journal of Forest Research*, 43(12), 1196–1202.
- [Equation of Demand and Supply](#).
 - This interactive multimedia piece examines the relationship between the demand and supply in the medical care marketplace.

To support and contextualize the views in your post, present clear reasons and cite timely, credible sources such as materials found in the Capella library, articles you might access using your free subscription to the *Wall Street Journal*, or the resources listed above.

Response Guidelines

After posting your discussion, provide a substantive response to at least two other learners. Consider the insights, comments, or questions raised as a result of your peers' views and analyses. Cite sources as appropriate when supporting your views.

Course Resources

Graduate Discussion Participation Scoring Guide

u08d1 - Learning Components

- Analyze demand and supply.
- Communicate in a manner that is professional and consistent with expectations for members of the business professions.
- Analyze elasticity of demand.

Unit 9 >> Economies of Scale

Introduction

This week you will:

- Discuss how and why regulatory entities seek to impact market competition.
- Review the instructions for and begin the assignment due in Unit 10.

This unit introduces you to economies of scale. Economies of scale refer to the cost advantage that large firms have over small firms; for example, when large companies produce in bulk, their per unit costs are lower than

that of small firms.

The two primary types of economies of scale are internal economies of scale and external economies of scale. Internal economies of scale are items that the firm itself has control over; on the other hand, external economies of scale are items that are outside of the control of the firm itself. Regarding internal economies of scale, a large firm can have monopsony power—since it purchases so much in bulk it can get better prices than smaller firms. Larger firms are also able to obtain capital at lower costs than smaller firms. Large firms have technical economies of scale in the production process. That is, larger firms are to utilize expensive and efficient capital machinery that smaller firms are unable to afford. Regarding external economies of scale, large firms tend to get special tax breaks if they move to another state or city; these tax breaks are usually not available to smaller firms.

Learning Activities

u09d1 - Market Competition, Mergers, and Regulation

In this post, discuss why some mergers are blocked by the U.S. Department of Justice while others are allowed to go forth. How and why do regulators seek to impact market competition? Describe some of the different functions and purposes for market regulatory policies.

Access and review the following resources to explore the relationship between competition and economies of scale:

- McConnell, C., Brue, S., & Flynn, S. (2018). *Economics* (21st ed.). New York, NY: McGraw-Hill.
 - Ch. 9, “Businesses and the Costs of Production,” pages 180–201.
 - Ch. 10, “Pure Competition in the Short Run,” pages 202–219.
 - Ch. 11, “Pure Competition in the Long Run,” pages 220–233.
 - Ch. 12, “Pure Monopoly,” pages 234–255.
 - Ch. 13, “Monopolistic Competition,” pages 256–266.
- [Market Competition and the Economic Environment](#).
 - This interactive multimedia piece explores the function of competition in the economy.

To support and contextualize the views in your post, present clear reasons and cite timely, credible sources such as materials found in the Capella library, articles you might access using your free subscription to the *Wall Street Journal*, or the resources listed above.

Response Guidelines

After posting your discussion, provide a substantive response to at least two other learners. Consider the insights, comments, or questions raised as a result of your peers' views and analyses. Cite sources as appropriate when supporting your views.

Graduate Discussion Participation Scoring Guide

u09d1 - Learning Components

- Analyze costs of production.
- Communicate in a manner that is professional and consistent with expectations for members of the business professions.
- Analyze how and why regulators seek to impact market competition.
- Analyze market competition.
- Analyze pricing strategies.

u09s1 - Planning Ahead: Unit 10 Assignment

The final assignment in this course, Pricing Plan, is due next week in Unit 10.

Look ahead to Unit 10, and review the assignment instructions and scoring guide to better understand the requirements and grading criteria. You are encouraged to begin work now on the Unit 10 assignment so that you are prepared to complete it successfully next week.

Access the following resources to explore pricing strategies shaped by demand and supply dynamics. To further prepare, you may also choose to revisit relevant resource materials in previous units.

- McConnell, C., Brue, S., & Flynn, S. (2018). *Economics* (21st ed.). New York, NY: McGraw-Hill.
 - Ch. 18, "Rent, Interest, and Profit," pages 357–375.
- Akan, M., Ata, B., & Savaşkan-Ebert, R. C. (2013). [Dynamic pricing of remanufacturable products under demand substitution: A product life cycle model](#). *Annals of Operations Research*, 211(1), 1–25.
- Dalfard, V., & Nosratan, N. (2014). [A new pricing constrained single-product inventory-production model in perishable food for maximizing the total profit](#). *Neural Computing and Applications*, 24(3/4), 735–743.
- Shi, J., Fung, R. Y. K., & Guo, J. (2016). [Optimal ordering and pricing policies for seasonal products: Impacts of demand uncertainty and capital constraint](#). *Discrete Dynamics in Nature and Society*, 1–13. doi:10.1155/2016/1801658

u09s1 - Learning Components

- Practice pricing strategies shaped by demand and supply dynamics.
- Communicate in a manner that is professional and consistent with expectations for members of the business professions.

Introduction

This week you will:

- Complete the Organizational Review of Regulatory Policies practice activity.
- Complete the Organizational Review of Regulatory Policies assignment, due at the end of the week.
- Review additional resources for further career exploration.

This unit introduces you to pricing. To be more specific, there are three primary ways that a company can price its product or service: cost-plus pricing, markup pricing, and competitive pricing.

Under cost-plus pricing, a firm determines its total costs and then adds in a profit margin percentage to determine the final price for the company's product or service.

Markup pricing is similar to cost-plus pricing. With markup pricing, a set dollar amount is added to the total cost of a product or service to get to the final price.

With competitive pricing, a company sees what its competitors are charging for a product or service and, thus, prices its product or service at the same price. Competitive pricing is commonly used for commodities. The price of a company's product or service will ultimately be determined by the intersection of the upward sloping supply curve and the downward sloping demand curve to get to an equilibrium price. If a product or service is priced too high, the demand for the product will not be there until the price declines to the equilibrium price. If a product or service is priced too low, there will not be a sufficient supply of the product until the price increases to the equilibrium price.

Learning Activities

u10s1 - Activity: Pricing Analysis

In this interactive activity, you will practice skills and concepts relevant to the Unit 10 assignment due at the end of this week:

- [Pricing Analysis](#).

Use the feedback provided to prepare for the Unit 10 assignment. If necessary, consider revisiting the resources provided in this or previous units.

- Practice pricing strategies shaped by demand and supply dynamics.
- Communicate in a manner that is professional and consistent with expectations for members of the business professions.

u10a1 - Pricing Plan

Introduction

In this assessment, you will prepare an evidence-based business report that explains how market conditions should impact a manufacturer's pricing and marketing decisions.

Scenario

You are an economic analyst specializing in pricing and marketing at a consulting firm that advises a variety of manufacturing companies. For this assignment, choose **one** (not both) of the following clients to advise:

1. A domestic car manufacturer is preparing to launch a new midsize sport utility vehicle, and they have requested detailed advice to help them situate the new car within the existing SUV market. They have requested an evidence-based analytical report that explains how market conditions should impact their pricing and marketing decisions.
2. A computer manufacturer is preparing to launch a new extra-light notebook computer, and they have requested detailed advice to help them situate the new notebook computer within the existing personal electronics market. They have requested an evidence-based analytical report that explains how market conditions should impact their pricing and marketing decisions.

Your Role

You are an economic analyst specializing in pricing and marketing at a consulting firm that advises a variety of manufacturing companies.

Requirements

Address the following in your business report (3–5 pages):

1. Explain the impact of supply, demand, equilibrium and elasticity on individual, firm, and market behavior.
2. Apply principles of producer theory to answer the client's pricing question.
3. Analyze the impact of competition on markets as relevant to the client's financial decision making.
4. Analyze the impact of economic conditions on how organizations buy, sell, price, and supply goods offered to the market.
5. Explain how regulatory considerations might impact the client's business strategy.

Deliverable Format

Since you are preparing this report for a valuable new client, you want this report to be clear, well organized, and readable. Your supervisor has requested that your report be 3–5 pages, so you have enough space to develop your ideas and provide some scholarly context for the client. Your report is a professional document and should therefore follow the corresponding MBA Academic and Professional Document Guidelines (available in the MBA Program Resources), including single-spaced paragraphs.

- **Communication:** Communicate in a manner that is scholarly, professional, and consistent with the needs and expectations of your client and other professional stakeholders. For this scenario, assume your firm has promised original work, critical thinking, and scholarly sources. Your writing must be free of errors that detract from the overall message. Include an introduction, body, and conclusion.
- **Resources:** Include at least three resources that are scholarly and/or professional. So your client and other stakeholders can locate more information about the topic, include a reference page at the end of your report.
- **Report length:** Minimum of 3–5 pages, in addition to a reference page.
- **Font and font size:** Times New Roman, 12 point.

Evaluation

By successfully completing this assignment, you will demonstrate your proficiency in the following course competencies through corresponding scoring guide criteria:

- Competency 4: Analyze how microeconomic principles impact the approach and processes by which individuals and businesses make financial decisions.
 - Explain the impact of supply, demand, equilibrium, and elasticity on individual, firm, and market behavior.
 - Apply principles of producer theory to answer a manufacturer's pricing question.
 - Analyze the impact of competition on markets and firm/financial decision making.
 - Analyze the impact of economic conditions on how organizations buy, sell, price, and supply goods/services offered to the market.
- Competency 3: Evaluate the role of ethics and regulatory considerations on financial and business decision making in organizations.
 - Explain how regulatory considerations may impact a manufacturer's business strategy.
- Competency 5: Communicate in a manner that is professional and consistent with expectations for members of the business professions.
 - Communicate in a manner that is professional and consistent with expectations for members of the business professions.

Your course instructor will use the scoring guide to review your deliverable as if they were both your immediate supervisor and your client in the scenario. Review the scoring guide prior to developing and submitting your assignment.

This assignment demonstrates your competency in applying knowledge and skills required of an MBA learner in the workplace. Include this in your personal ePortfolio.

u10s2 - Additional Resources for Further Exploration

Capella Career Center

As you wrap up this course, it is a good time for you to reflect on how you can apply the knowledge you have gained and talk about it professionally. Possible opportunities could include performance review conversations, promotion proposals, and salary negotiations, as well as resume accomplishment statements, interview responses, and professional networking conversations.

Refer to MBA Program Resources to access Capella's Career Center for resources that can help you make the most of your experience and education to achieve your goals, including how to use your ePortfolio effectively to showcase your work as part of a job search.

u10s2 - Learning Components

- Reflect on how you can apply the knowledge from this course in a professional context.
- Communicate in a manner that is professional and consistent with expectations for members of the business professions.