



Truth • Virtue • Service

The MBA Program is dedicated to equipping Business students to respond ethically, think critically, communicate effectively and perform with excellence as Christians in a changing world¹.

MBA 555: Operating in a Dynamic Economic Environment

Fall 2009

Thursday – 6:00-10:00 pm, HTH 106

David Alford, Ed.D.

Assistant Professor of Business and Management

dalford@vanguard.edu

Office Hours: MW 11-12 noon, TTh 1:30-3 pm, F 10-12 noon, or by appointment

Office Location: Heath Academic Center - 203

Phone: (714) 556-3610

Web Page: www.vanguard.edu/faculty/dalford/

COURSE DESCRIPTION

Examines economic theories underlying consumer and producer behavior with practical application to corporate policy. Discussion will include the impact of the external economic environment, the resulting social and strategic changes to domestic and global production, and distribution of goods and services. Response issues will include micro and macro competitiveness in a time of rapid change and its impact on employment, fiscal and monetary policy, pollution, productivity, innovation, and social responsibility. (5 units)

TEXTS AND COURSE MATERIALS

Hubbard, G. & O'Brien, A. (2009), *Economics* (2nd ed., Updated), Upper Saddle River, N.J.: Prentice Hall. ISBN-13: 978-0-13-609205-6

COURSE WEBSITE

This course will utilize Moodle as learning portal to facilitate homework assignments as well as for announcements about the class. The website can be accessed at <http://learn.vanguard.edu/>. The enrollment key for the course is MBA555.

INSTRUCTOR

David Alford is Assistant Professor of Business and Management. He holds a Bachelor of Arts in Psychology from the University of California at Davis, a Master of Business Administration with a concentration in Finance from the University of Southern California, and a Doctor of Education in Organizational Leadership from Pepperdine University. His research interests are focused on organizational vision and leadership. David's professional financial experience includes holding the position of Vice President of Business and Finance at Vanguard University where he provided financial management for the university and served as Chief Financial Officer. Previously he worked as a

¹ Mission Statement of Vanguard University's MBA Program

Consultant for Mercer Consulting where he provided investment advice to corporate clients on management of their pension and retirement program assets. David has also lent his experience to churches encountering financial difficulties by serving in pastoral roles in order to provide organizational and financial leadership. He is an ordained minister with the Assemblies of God. David and his wife, Molly, live in Irvine with their three children: Jimmy 14, Christy 12, and Matthew 10.

LEARNING OBJECTIVES AND OUTCOMES

At the conclusion of this course, successful students will be able to:

- Define and explain the macroeconomic concerns of economic growth, inflation, interest rates, and unemployment.
- Calculate, critique, and explain various measures of Gross Domestic Product, unemployment, and inflation.
- Explain how the Federal Reserve System is organized, and the mechanisms of money supply management used by the Fed.
- Compare and contrast the assumptions and conclusions of Keynesian, Classical, and Monetarist economic theories.
- Fully explain the concepts of comparative advantage, international trade, and international currency exchange.
- Clearly explain market dynamics, structures, efficiencies, and externalities.

CORE VALUES

This course supports and integrates the core values of the MBA Program:

- **Integration of Faith**
- **Mentorship**
- **Academic Rigor and Substance**
- **Continuous Value Added Partnerships**

VANGUARD UNIVERSITY EDUCATIONAL TARGETS AND GOALS

This course supports and integrates the educational targets and goals of Vanguard University:

- **Intellectual Engagement**
- **Aesthetic Expression**
- **Spiritual Formation**
- **Responsible Stewardship**
- **Professional Excellence**
- **Sociocultural Responsiveness**

FUNDAMENTAL SKILLS AND FOUNDATIONAL PRINCIPLES

The MBA Program has identified the following fundamental skills and foundational principles that are essential learning objectives for courses in the MBA program. Fundamental skills relate to general knowledge and personal abilities that graduates will carry with them into their careers and lives. The primary fundamental skills for the MBA program are shown in bold. Foundational principles require learning accomplishment in areas directly related to business disciplines, and form the core degree requirements within Vanguard's business programs.

Fundamental Skills:

- Communication Skills
- Teamwork and Project Management
- **Thinking and Problem Solving**
- **Decision Making**
- **Ethical Reasoning**
- Business Tools and Technology
- **Change Dynamics**

Foundational Principles:

- Accounting
- Management and Leadership
- Marketing
- Legal and Regulatory
- **Economics**
- Finance
- Global Dimensions of Business

PHILOSOPHY OF INSTRUCTION

Your instructor views himself as a facilitator of your learning. Therefore opportunities for interaction between you and the instructor should be utilized for maximum effect. Generally this is best accomplished through thorough preparation for class sessions. Reading will be assigned for each session and will serve as the basis for class discussion. In order to maximize the opportunity for learning, students should read the material thoroughly, including tables, exhibits, and sidebars. Class sessions will be devoted to reviewing material from the chapters, and clarifying and explaining concepts that are difficult to understand. As part of the discussion, examples and sample problems will be completed in class to ensure that students have a working knowledge of the concepts and methodologies that are discussed. This knowledge will be reinforced through homework that will allow students to use the concepts and methodologies on their own. Student learning of course concepts will be assessed through written examinations.

STUDENTS WITH DISABILITIES

For students with documented medical or psychological disabilities, please contact the Coordinator of Disability Services to request reasonable accommodations. The Coordinator of Disability Services is located in the Counseling Center on the second floor of the Scott Academic Center and can be reached at extension 4489 or by email at beth.lorance@vanguard.edu.

For students with a documented learning disability who would like to request appropriate accommodations, please contact Barbi Rouse, the Director of Learning Skills, located upstairs in Scott Academic Center at extension 2540 or by email at brouse@vanguard.edu.

ASSESSMENT MEASURES

1. **Class Participation.** Students will be assessed for their attendance, preparation for class, and engagement in discussions. Preparation for discussions should include completing assigned reading, developing questions about assigned material for clarification and understanding, and observing current economic events in the media for class discussion.
2. **Homework.** Homework problems may be assigned at the conclusion of class sessions to reinforce learning. Homework will be due at the beginning of the next class session, and will be graded by the instructor.
3. **Book Summary.** Students will select a book from an instructor-provided list and present a 30-minute summary for the class.
4. **Mid-Term Examination.** One mid-term examinations will be used to assess student learning during the semester.
5. **Final Examination.** A comprehensive examination will be given at the end of the semester to assess student learning of all material covered in the course.

COURSE GRADING**Components of Course Grade:**

	<u>Points</u>	<u>Percentage</u>
Class Participation	100	10%
Homework	200	20%
Book Summary	200	20%
Mid-Term Exam	200	20%
<u>Final Exam</u>	<u>300</u>	<u>30%</u>
Total	1,000	100%

Grading Scale:

A	94-100%
A-	90-93%
B+	87-89%
B	83-86%
B-	80-82%
C+	77-79%
C	73-76%
C-	70-72%
D+	67-69%
D	63-66%
D-	60-62%
F	below 60%

COURSE SCHEDULE

Date	Topic	Reading	Problems	
August	27	The Market System	Chapters 1 and 2	p. 60 – 1.7 and p. 62 – 2.4
September	3	Demand, Supply, and Economic Efficiency	Chapters 3 and 4	p. 94 – 4.3, p. 124 – 1.5 and 1.8, and p. 127 – 3.10
	10	Externalities, Public Goods, and Elasticity	Chapters 5 and 6	p. 200 – 1.5, p. 203 – 3.4, p. 205 – 4.4, and p. 206 – 6.4
	17	International Trade and Consumer Behavior	Chapters 8 and 9	p. 272 – 3.4, p. 274 – 4.14, and p. 312 – 1.7
	24	Costs and Perfect Competition	Chapters 10 and 11	p. 358 – 3.3, p. 405 – 2.5, p. 407 – 4.3, and p. 408 – 5.4
October	1	Monopolistic Competition and Oligopolies	Chapters 12 and 13	p. 432 – 1.4 and p. 433 – 2.5
	8	Monopolies and Pricing	Chapters 14 and 15	
	15	Mid-term Exam		
	22	GDP, Unemployment, and Inflation	Chapters 19 and 20	p. 655 – 1.12, p. 657 – 3.6, p. 688 – 1.4, p. 691 – 4.5, and p. 692 – 5.5
	29	Economic Growth	Chapters 21 and 22	p. 65 – 3.10
November	5	Aggregate Demand and Supply	Chapters 23 and 24	p. 802 – 1.4, p. 804 – 2.11, p. 805 – 3.12, and p. 806 – 4.8
	12	Money and Monetary Policy	Chapters 25 and 26	p. 883 – 3.9, p. 884 – 5.3, and p. 923 – 3.12

Date	Topic	Reading	Problems
	19	Fiscal Policy and Inflation	Chapters 27 and 28 In Class p. 963 – 2.6, p. 964 – 3.4, and p. 355 – 27A.2
	26	Thanksgiving	
December	3	Final Exam	

Revisions. At the discretion of the professor, the schedule may be revised as needed in an effort to ensure that the class will provide a meaningful learning experience.

PROFESSIONAL CODE OF CHARACTER

University coursework prepares students for the workplace. Therefore, the following Professional Code of Character is expected from all students:

1. **Integrity** is a valued character trait. *“People with integrity have firm footing, but those who follow crooked paths will slip and fall.”* (Proverbs 10:9) Students will:
 - a. Be righteously trustworthy. This includes refraining from plagiarism, cheating, or aiding another student in such. For additional information about consequences of unethical behavior students should refer to the Vanguard University Student Handbook.
 - b. Be Christ followers who keep each other accountable, as well as extend grace and encouragement.
 - c. Do work as unto the Lord. Student work is to be representative of their best effort, complete, and on time.
 - d. Be mindful that when we stumble we admit to it, repent, and seek restoration and forgiveness.

2. **Respectfulness** is a valued character trait—of the Lord, to each other, of yourself, to your professor, and to staff and administrators. *“Show proper respect to everyone; Love the brotherhood of believers, fear God, honor the king.”* (1 Peter 2:17) Students will:
 - a. Be on time—to class or turning in assignments.
 - b. Turn off and put away cell phones while in class, performing an assignment, or taking an exam.
 - c. Use laptops in the classroom only as permitted by the professor for appropriate coursework. Any type of recording, copying, or photographing of the professor, fellow students, or course materials is not permitted without prior approval of the professor.
 - d. Practice appropriate attire and hygiene for a professional, university environment.
 - e. Use bathroom facilities before or after class.
 - f. Clean up after themselves. Eating or drinking in the classroom is permitted at the discretion of the professor.

3. **Responsibility** is a valued character trait. *“Make a tree good and its fruit will be good, or make a tree bad and its fruit will be bad, for a tree is recognized by its fruit.”* (Matt. 12:33) Learning is a partnership. Students are expected to take responsibility to prepare for class, which includes reading and studying the text materials, engaging in classroom discussions, and completing all homework assignments with their best effort.

“I know the plans I have for you says the Lord, plans for good and not for evil, to give you a future and a hope.” Jeremiah 29:11