

Academic Year: (2021 / 2022)

Review date: 08-06-2021

Department assigned to the subject: Business Administration Department

Coordinating teacher: MELERO MARTIN, EDUARDO

Type: Compulsory ECTS Credits : 3.0

Year : 1 Semester : 1

OBJECTIVES

This subject contributes to the acquisition of the following skills:

- Know how to understand and offer solutions to problems concerning the competitive environment of the company.
- Know how to communicate knowledge, conclusions and final reasons that support them concerning the competitive environment of the company.
- Ability to solve complex problems concerning the competitive environment of the company.
- Ability for critical reasoning on issues concerning the competitive environment of the company
- Ability to offer creative solutions to complex problems concerning the competitive environment of the company
- Ability to analyze and understand the effects on a specific company of government macroeconomic policies
- Ability to understand and apply the main concepts of industrial economics: How imperfect competition works and what strategies companies adopt in imperfect competition environments.

Specifically, these are the expected results of the learning process:

- Understand the structure and sector dynamics in which a company operates.
- Identify the optimal pricing strategies, given the characteristics of the sector.
- Understand the frequently used statistical measures as indexes for the study of the characteristics of the sector, and apply them for the generation of value in the company.
- Master the tools of economic analysis for the application to strategic decision making.
- Master the techniques needed to perform a sector analysis.
- Be able to establish a diagnosis aimed at improving the competitiveness of the company based on the analysis of the environment and the resources needed.
- Be able to anticipate and prevent some of the usual problems that lead to failure of new businesses.

DESCRIPTION OF CONTENTS: PROGRAMME

1. Basic game theory for competitive analysis.
2. Competitors and competition.
 - a. Competitor and market identification.
 - b. Market structure.
3. Market structure and competition.
 - a. Perfect competition.
 - b. Monopoly.
 - c. Monopolistic competition.
 - d. Oligopoly.
 - e. Dynamic competition.
4. Strategic commitment and market structure.
5. Entry and exit strategies and market structure.

LEARNING ACTIVITIES AND METHODOLOGY

- Class discussion of course's theoretical contents
- Class discussion of practical exercises.
- Individual work on class exercises.
- Team work on case studies
- Presentation of case studies

ASSESSMENT SYSTEM

50%: final exam
20%: group case studies
20%: mid-term review test
10%: participation grade

% end-of-term-examination:	50
% of continuous assessment (assignments, laboratory, practicals...):	50

BASIC BIBLIOGRAPHY

- David Besanko, David Dranove, Mark Shanley & Scott Schaefer Economics of Strategy, 6th Edition, Wiley, 2013

ADDITIONAL BIBLIOGRAPHY

- David Besanko and Ronald Braeutigam Microeconomics, John Wiley & Sons Ltd, 2011 (4th edition, International Student)
- Robert Pindyck and Daniel Rubinfeld Microeconomics, Pearson International , 2008 (7th Edition)