**Business Paper**

An important part of the course is your business paper. This is intended for you to apply an economic concept(s) discussed in class to real businesses or business problems. Managerial Microeconomics as a class is meant to increase your ability to critically think about your company in economic terms. You can choose a topic in the context of your place of work. If you are not working or work at a job where it would not be feasible to conduct a workplace project, you can choose any topics that interests you.

Below is a list of *possible* topics that may be particularly germane to your future place of work but are (also) easily generalized to broader business topics. You are free to create your own topic as well.

**Potential Business Paper Topics:**

1. Will lowering prices increase your company’s sales? What influences the pricing decisions of your company?

2. Why does it seem like my boss is always looking over my shoulder? Why is your company organized in the way that it is, and does the company do a good job in making sure that its employees think like the employer (or not)? Discuss the effects of these management strategies on costs, quality, and demand.

3. Outline a possible new business that you could create. Be sure to explain the market structure, costs, demand, and a strategy for dealing with competition in the market.

4. Economic roadblocks and barriers to entry: Is your place of work one where there are many competitors or potential competitors or is it difficult to start a business in your industry? And why? How does this affect your company’s strategies in the market?

5. What is the role of advertising and brand names in your industry? How often, through which media (print, social and air) and how much is spent by your company? Why do they advertise? What is the impact of advertising on a company’s cost structure and demand? How can a company determine whether the increase in demand was caused by (increased) advertising expenditures?

6. What role does technology play in your company providing its good or service? Do you expect large changes in this technology in the future? If so, how will these changes affect your company and your competitors? What can your company do to prepare for these changes?

7. How do the elasticities (price elasticity of demand, income elasticity of demand, etc.) of your product service matter when determining decisions related to your business?

8. Discuss how a recent change in the world has caused a major disruption or change in your industry. What did managers do or could have done to best react to this change?

**There are two steps or deliverables for your project:**

1. Project proposal. It is expected that you will discuss with your instructor (via Canvas) your paper before you actually complete the assignment. Your proposal should be in the form of a formal outline of your paper. The outline should include brief bullet points of the content in your introduction, body paragraphs, and conclusion.

2. Final Paper (4-6 pages)

**Requirements:**

You must include at least four sources for your final paper. Two of these sources should be from reputable news organizations. The other two sources can be from academic journals, government websites, news sites, etc. You must also cite each of your sources with proper in-text citation as well.

You should also use at least one completely original graph that shows one of the economic models in classes. This graph should be relevant to issue that you discuss.

**Due Dates:**

April 9th: Project proposal/Outline

April 23rd: Final project

**\*All parts of the project should uploaded to Canvas by the listed due dates under the Module tab for the week they are due.**

**Sample Outline:**

1. Introduction
* Thesis: With the recent trend of consumers staying in their houses most nights, we can expect the video game industry to see an influx of consumers. The result of less outside options will cause the demand for video games to be more price inelastic overall. A video game firm can benefit by increasing prices initially; however, the firm’s specific demand will eventually become more elastic as more video game firms enter the market and other industries adapt their product for more at-home use.
1. Body Paragraph 1
* Description of the video game industry
* Explanation of monopolistic competition
* Cause of increase in demand
1. Body Paragraph 2
* Use of price elasticity of demand
* Expected changes in the marketplace
* Firm graph for monopolistic competition
1. Body Paragraph 3
* Possibility for profit in the short run
* Expectations in the long run
* Viable business plan
1. Conclusion
* The video game industry is expanding due to phones and consoles
* The expanse will eventually slow down