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Discourse Community Project

Managerial Economics as a Discourse Community

Abstract

Analytical skills learnt in Managerial Economics major are rarely seen as useful, despite its use in everyday life in professional industries. The purpose of this essay is to identify the major's importance in future endeavors, as well as experiences partaking in major courses. An interview with a fourth-year student, genre analysis on a course assignment, and analysis on the major's learning outcomes were conducted to understand what Managerial Economics is, and the significance of communication within the Managerial Economics community in achieving the learning outcomes. Results show that analytical skills are learnt in classes, and can be applied to other disciplines, and future jobs. It can be concluded that skills learnt in Managerial Economics courses can be applied upon working in the professional world.

Introduction

Business and economics play a big role in our current society, especially since it determines majority of our daily choices, such as finding a job to save money for our dream car, or filing taxes once we start working. University of California, Davis (UC Davis) is a university that focuses mostly on research in the discipline of science. Business and/or economics is not what we hear often due to UCD's academic nature. The aim of this paper is to raise importance of Managerial Economics as a major or minor, because business and economics are inevitable once we graduate. This paper would be useful for undergraduate students who are undeclared for their major, or are interested in double majoring or minoring in a business-related program. Key skills learnt in Managerial Economics courses are essential for anyone who wants to be part of the professional workforce in the future. Furthermore, this paper will discuss about experiences being part of the Managerial Economics discourse community. Experiences in taking Managerial Economics classes allow students to take a holistic approach in other disciplines.

Background

To understand the expectations of the Managerial Economics major and the importance of communication methods, this paper will utilize the concept of "discourse communities" as a basis. A discourse community is essentially a group of people who share ways to claim, organize,

communicate, and evaluate meaning (Schmidt and Kopple; 1993). This paper will discuss about Managerial Economics as a discourse community, where students and professionals in the field communicate their goals and values within the community.

Managerial Economics is a major in UC Davis that focuses on the study of economics and business. According to UC Davis' official department website, "the program provides in-depth exposure to economics, statistical and quantitative methods, analytical tools for problem-solving strategies, critical thinking, and effective writing (and) oral communication skills." This major essentially prepares students to transition into the professional business world, through learning theory and analytical skills in economics and business. Students who major in Managerial Economics specialize in one of four emphases: Business Economics, International Business Economics, Environmental and Resource Economics, Agribusiness Economics. Each of these emphases allow students to micro-study sections of business or economics that they wish to pursue for their careers.

Method

This paper will mainly comprise of results based on an interview with a fourth-year Managerial Economics student, Muhammad Raafi. This interview was conducted to understand the major from a student's point of view, because their perception of the major will be appreciated better by fellow undergraduates. Additionally, a genre analysis of an upper-division course assignment by Raafi will be conducted to identify analytical skills learnt within the major. To understand some of Raafi's answers from the interview and genre analysis, I used information from the major department's website, including the major's learning outcomes, as well as my personal background knowledge of Business and Economics. An article about the concept of discourse community by John Swales, a linguistics professor at the University of Michigan, will be used as a form of framework to describe what Managerial Economics as a discourse community is.

Results and Discussion

Results from primary and secondary research conducted will be evaluated in terms of Swales' characteristics that determines a discourse community, which are common goals, genre of communication, participatory mechanisms, genres produced, lexis, as well as a threshold level of members (Swales; 1990; p. 220-222).

Common Goals, Genres, and Lexis

Goals in Managerial Economics major are in the form of learning outcomes, which is found in the department's website. The Managerial Economics department emphasizes on learning analytical skills in the field of Economics and Business. According to the Managerial Economics department, the four main learning outcomes are understanding principles in business and economics, having strong

quantitative skills, effective communication, and innovative leadership. Students learn these through enrolling in compulsory major courses, such as business writing, economic theories, and business law.

To understand how the learning outcomes are fulfilled, how specific lexis is essential to understand, and utilizing certain genres to achieve the learning outcomes, I will be conducting a genre analysis based on Raafi's assignment in the course "ARE100A – Intermediate Microeconomics: Theory of Production & Consumption". According to staff advisors who I approached to plan out my academic schedule, ARE100A is recommended whenever possible, as some upper-division courses require ARE100A as a prerequisite.

According to Raafi, writings in Managerial Economics mainly revolve around the learning outcomes of the major. In ARE100A, some learning outcomes for the course itself are understanding the "theory of individual consumer and market demand", "theory of production and supply of agricultural products, with reference to the individual firm," and "price determination, and employment of resources under pure competition" (UC Davis General Catalog; n.d.). In this specific assignment, the prompt required him to quantitatively analyze costs, price, and other quantitative data. Additionally, the assignment required him to draw graphical representations of his calculations. These graphs are important in identifying the relationship between different economic models, which in this case are "costs" models. Terms such as "opportunity costs", "long-run isoquant curve", and "Lagrangian" are used in the assignment.¹ Such jargons are expected to be understood by the student, as it would be used in assignments and in the workforce.

The genre of this assignment, data analysis and computation, does not allow flexible thinking, however it prompts students to understand the importance of economic models and how it could be applied in computing quantitative data for organizations. Furthermore, the quantitative data is valued to create conclusions for organizations, which will be useful should the student pursue in being an entrepreneur in the future. The assignment achieves the learning outcomes of both the course and the major, where quantitative skills and understanding of economic principles are applied. Based on this assignment itself, it can be deduced that Managerial Economics as a discourse community values quantitative data and analysis. The assignment emphasizes on quantitative calculations and graphing results, showing how the discourse community utilizes economic models and formulas in analyses.

¹ Refer to Figure 1 and 2.

Ari runs a party venue where he employs DJs (L , expressed in DJ-days) and karaoke machines (K , expressed in machine-days). The amount of partying he can host can be expressed as

$$q = K^{\frac{1}{3}}L^{\frac{1}{3}}$$

He currently owns 8 karaoke machines and currently employs 4 DJs. Each machine cost B when it was initially purchased, but Ari does not need to pay any more to use it at a party. There is also a rental market for karaoke machines, which can be rented on the market for r per day. However, the equipment is difficult to transport, and it takes a month to move between venues. DJs can also be hired for a daily wage of w , and can be hired by the day (or portion of the day).

(For this problem, do not worry about limiting your answers to whole numbers.)

- (a) Describe Ari's accounting costs, opportunity costs. Next, describe Ari's variable costs and sunk costs. Which are relevant for his production decision? Explain why the cost of karaoke machines B doesn't factor into profit maximization.
- (b) What time frame describes the long run? Write Ari's short-run production function.
- (c) In the short-run, what is the fixed cost of production? (Hint: What is K in the short run?)
- (d) In the short run, what is the variable cost of production? (Hint: How much L is needed to produce a given amount of q ? At what price is L purchased?)
- (e) Compute the average total cost and average variable cost curves when L is the only variable factor.
- (f) Show that short-run average variable cost is equal to the inverse of the average product of labor times the wage rate. (Hint: First, compute the average product of DJ-hours. Then, replace q with a function of L in the short-run average variable cost expression and rearrange terms.)
- (g) Compute the marginal cost of production when L is the only variable factor.
- (h) How does the short-run marginal cost relate to the short-run marginal product of labor? (You do not need to show it mathematically, but it is useful practice for the exam.)
- (i) On a single graph, plot the short-run marginal cost, average total cost, and average variable cost when L is the only variable factor and when $w = 3$ and $r = 5$. Draw the curves to scale; you may need to use a calculator or website to do so.
- (j) Write Ari's long-run production function.
- (k) Write an expression for a long-run isoquant curve generally in terms of L , K , and some output level \bar{q} .
- (l) Set up Ari's cost minimization problem as a Lagrangian. That is, write the Lagrangian that corresponds to Ari minimizing the cost of production subject to producing a fixed amount \bar{q} .
- (m) Solve the cost-minimization problem to compute K and L as a function of w , r , and \bar{q} .
- (n) Multiply the optimal levels of K and L by their respective prices to compute the long-run cost curve.
- (o) On a new graph, plot the long-run average cost when both factors are variable and when $w = 3$ and $r = 5$. On the same graph, plot the short-run average total cost curve, when only L is variable, at the same prices when K is 5, 8, and 11. Draw the curves to scale; you may need to use a calculator or website to do so.
- (p) Explain the relationship between the short-run and long-run average cost functions you plotted above.

Figure 1: ARE100A Assignment Prompt

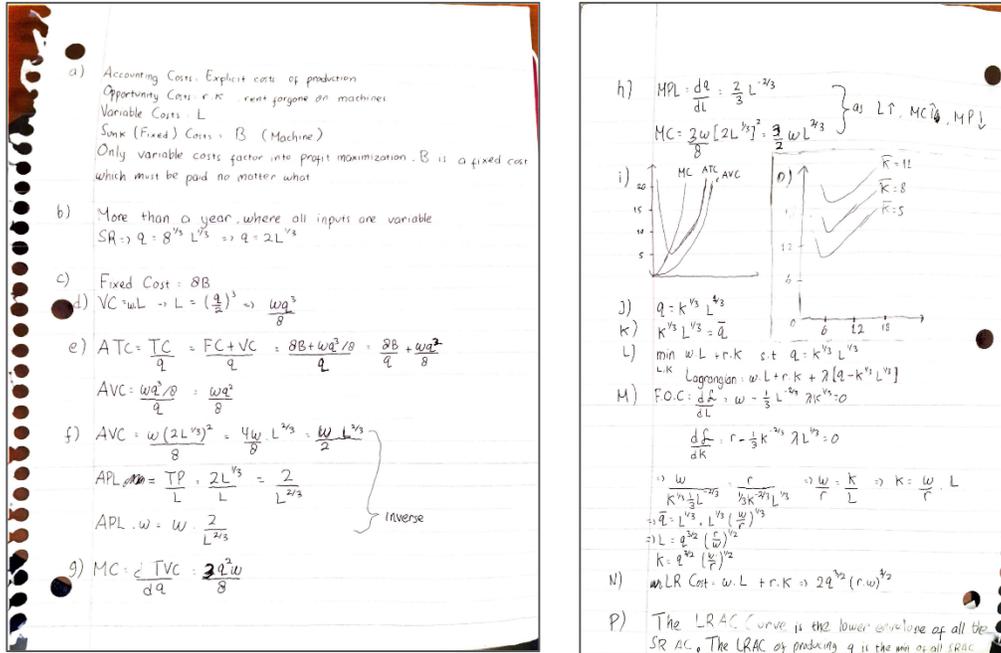


Figure 2: ARE100A Assignment Answer by Muhammad Raafi

Methods of Intercommunication

During freshman orientation, the orientation committee stresses the importance of communicating our goals with our major department. Managerial Economics students have access to major advisors, peer advisors, as well as seniors to consult regarding their major. In the Managerial Economics department's point of view, consultations with major advisors are the most beneficial as they assist students with graduation plans, as well as deciding which emphasizes is most suitable for the student. Major advising consultation appointments are accessible through the UC Davis Appointments website. Contrary to the Managerial Economics department, Raafi finds that "seniors and friends (majoring in Managerial Economics) can be more useful than advisors." This is because they have more experience in required courses, including knowledge about which courses to take and with which professor. Such details are useful to lower-level undergraduates in terms of course planning and understanding core concepts.

Active Participation

Other than studying for major-required courses, students have the option to participate in social events and clubs or student organizations. Business-related events and organizations are helpful in creating connections with potential business partners, as well as learning information about a professional field of work that one may be interested in. Business-economic social events' information is usually shared by the Managerial Economics department through emails. These social events include guest speaker events, projects with companies, and networking events with researchers. On the other hand, there are many student organizations that can build students' skills

for post-graduation. These organizations include the Business Career and Networking Club, Delta Sigma Pi Co-ed Business Fraternity, and honors societies.

Additionally, students may accept internship opportunities in businesses to develop hands-on analytical and leadership skills. According to Raafi, “a key part of being in the business world is to have a lot of connections and networks,” which involves active participation in events or work. Other than learning competence in business and economics, internships allow students to make connections with potential business partners. Though Raafi has no specific experience in internships, he involves himself in community service and honors societies, as well as enrolling in courses relevant to his interest for his goals.

Membership criteria

Being a member of Managerial Economics discourse community essentially means being a student majoring in it, as well as advisors who help with academic planning for students. To be a member, the students must be enrolled in UC Davis, hence criteria revolves around the University’s admittance requirements. Assuming potential members are already a student in UC Davis, not many requirements are placed to be part of the discourse community. According to Raafi, Managerial Economics courses do not require prior business and economics knowledge. Having prior knowledge about business and economics may be useful in understanding upper-division courses, however “(professors) basically teach (students) from scratch.” Essentially, Managerial Economics is a discourse community where there are little requirements to be a member of, hence “students can easily take double majors,” states Raafi. From a personal point of view, having academic history of studying economics may allow students to have introductory economic courses’ credits fulfilled. Since I graduated from high school with Economics Higher Level from the International Baccalaureate Diploma Program, I was eligible to transfer credits from my economics experience into introductory economics courses. Nonetheless, having prior experience would be advantageous but not necessary.

On the other hand, advisors in the Managerial Economics discourse community requires a certain level of knowledge. For staff advisors, they need to have background experience in helping other students, such as being a tutor, a support instructor, or academic advisor. Background knowledge for Managerial Economics, Business, or Economics do not play a part as the focus of advisors are to guide students to the optimal academic path based on the students’ goals. For peer advisors, they need to be at least third-year into the Managerial Economics major and have good academic standing. Essentially, peer advisors are there to give specific information about being a Managerial Economics major, such as class content, demand for a class, and creating a balanced schedule based on students’ abilities.

Post-Graduation and Career Aspects

After graduating with a Bachelor's Degree in Managerial Economics, students have the option to work or continue their studies. For example, Raafi's emphasis in Managerial Economics in Business Economics. Though his career goal is to become a business consultant, there are many pathways he could work in, such as accounting, data and risk analysis, entrepreneurship, and banking. Other emphases have different pathways; in Environmental and Resources Economics, some career pathways include environmental planning and policy, sustainability consulting and renewable resource management. The diversity in career pathways Managerial Economics has allows students to have flexibility in which profession they aim to be. On the other hand, students may continue their Master's Degree in business or economics. Graduating with a Master's Degree will give students better credibility in terms of employment process, as well as gaining more connections with potential business partners for future employment or entrepreneurship ventures.

Conclusion

It can be concluded that Managerial Economics can be useful for future endeavors, regardless of the students' main discipline in academics. Additionally, the results from the interview show that communication is important in fulfilling the discourse community's goals, as well as understanding the major courses itself. The goals of the discourse community revolve around attributes needed to work in a professional setting, which is essential for many students. Rather than just focusing on a single discipline, combining it with Managerial Economics courses is a holistic way to enrich students' approach in the discipline. Interdisciplinary approach to studies and future prospects is advantageous in terms of flexibility in what students' goals are. Furthermore, forming lasting connections with future partners who could assist in growing a business is essential. The interview with Raafi emphasizes the importance of creating a network of reliable partners, not just to help with career prospects, but also to graduate from UC Davis.

References:

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