



"Investing in Africa's Future"

COLLEGE OF BUSINESS, PEACE, LEADERSHIP AND GOVERNANCE

**NMEC 502: MANAGERIAL ECONOMICS
END OF FIRST SEMESTER EXAMINATIONS**

APRIL/MAY 2020

LECTURER: G. MANDEWO

INSTRUCTIONS

Answer **One question only**. Total possible mark is **100**.

Start **each** question on a new page in your answer booklet.

The marks allocated to **each** question are shown at the end of the question.

Show all your workings.

Credit will be awarded for logical, systematic and neat presentations.

1. With reference to the organization you work for, Discuss how you would enhance profitability and shareholder value using your knowledge of cost theory, production theory and market structures. Emphasis should be on practical examples that are based on your organization. **[100 Marks]**
2. Game Theory and Information asymmetry are key topics that managerial economists should have a solid grounding in. Based on the company you work for trace all the critical concepts and demonstrate how you would apply them to enhance the performance of your organization. **[100 Marks]**
3. The main thrust of managerial economics is to proffer optimal solutions to managerial decision problems. Demonstrate using practical examples how each of the topics covered in this course will achieve this goal. Ensure that you use practical examples based on your organization to illustrate concepts. **[100 Marks]**

[END OF EXAMINATION]