



"Investing in Africa's Future"

COLLEGE OF BUSINESS, PEACE, LEADERSHIP AND GOVERNANCE

NMEC 401: MANAGERIAL ECONOMICS EXAM 1

END OF FIRST SEMESTER EXAMINATIONS

NOVEMBER 2021

LECTURER: MR MANDEWO

TIME: 5 HOURS

INSTRUCTIONS

Answer **Only one Question**. 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.

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

1. It is the fusion of cost theory and production theory that would enable robust business decision making. Illustrate application of these theories in business. **[100 Marks]**
2. A manager guided by the concepts in game theory will seek to optimise profits in each business scenario. You are required to deduce own practical examples and explore all concepts in game theory. Emphasis should be on demonstrating how decision making will enhance profits. **[100 Marks]**
3. Suppose you have been engaged by Unilever, a company that produces a wide variety of domestic products, to consult on pricing decisions. Discuss the various methodologies at the disposal of this company to price its goods and services. You are required to demonstrate how each method will reap earnings for the organisation. **[100 Marks]**

END OF EXAMINATION