

BADM 610 Managerial Economics

**Research Paper Project Guidelines**

**PURPOSES**



The Term Research Paper Project is designed to provide you with an opportunity to conduct an empirical, microeconomic analysis using theoretical concepts and analytical skills you studied throughout the semester. By participating in this project, you will broaden your understanding of the economic models and microeconomic concepts and will apply those concepts to the real-world problem analysis. Furthermore, this project will help you to sharpen your analytical skills by applying the various economic models and analytical tools.

**FINAL RESEARCH PAPER PROJECT (Individually assigned)**

You are required to compose and submit a formal research paper as requested by this project guidelines. It is highly recommended that you work on this project throughout the semester instead of waiting until the due date to try and complete this research.

This will be a formal research paper in APA style detailing your research question, empirical model, analysis, and arguments on the topic stated in the next pages.

Follow the APA style writing. Refer to the following links for the APA style guidelines:

<http://www.apastyle.org/>

<https://owl.english.purdue.edu/owl/resource/560/01/>

**Violations of the APA style writing rule will result in a poor credit.**

A report length is 10 – 15 pages of discussion excluding the Title and References page. Use a font size of 12 points, lines of double spacing, and page margins of 1 inch x 1 inch x 1 inch x 1 inch in MS word.

Your paper should be **organized** as follows;

1. **Introduction:** In introduction section, you should clearly formulate your research question that is related to the research topic. You may also summarize your main findings and implications in the introduction part.
2. **Literature Review:** This section may include the summary of the main arguments and concepts dealt with in the text and other journal articles. Your reference articles should include the text and at least two other articles you studied in relation to the topic. Other reference books, or materials (literature/video clips) may also be used for your research.
3. **Research Method and Data:** In this section, you should show the way you obtained evidences or data that are used to support your arguments and conclusions. Those evidences may be your regression model, other researchers' arguments, numbers in the table, numerical data retrieved from the various sources, and figures.
4. **Main Findings:** This section may include empirical results such as regression outputs and important findings you made from the results. You may also describe what these findings imply, how these findings can be applied to the real-world analysis and forecasting, and your expectation of the future progress, including possible solutions. You may conduct the research using regression, internet, articles, or books to find the real-world cases. You have to identify your information sources in this section and include them in the references at the end of the paper.
5. **Conclusion:** Summarizes main arguments in your paper: research question, research question, the real-world cases, consequences, and expectation of the future progress.
6. **References:** Include all references you mention in the paper such as articles, books, and websites. Do not include any articles, books, or websites that you did not mention in the paper. The number of references should be at least five.

## SPECIFIC RESEARCH GUIDELINES:

Select a company, government agency, or any other service outlets and one of its products that interest you to study from an applied economic point of view. You are encouraged to look up articles about your chosen company or institution utilizing such sources as Business Week, Forbes, Wall Street Journal, Financial Times, Marketing Communications, Media-Scope, Advertising Age, Law Enforcement Magazines, Health Magazines, and etc.

If possible, you are encouraged to visit or correspond with the company or agency, contact distributors or agents, and discuss the product(s) or service(s) with actual or potential users. Collect economic data in the product(s) or service(s) you have chosen.

- A. At the end of this course, you should turn in a term paper that analyzes and estimates the demand of your chosen firm's product(s) or service(s) **USING REGRESSIONAL ANALYSIS**. Search Google to see how to run regressions using Excel.
- B. Assume that your company or agency is concerned about near-term economic conditions and wishes to obtain a qualitative forecast of sales or service in the upcoming quarter. Assume also that you are the market analyst for your company or agency planning to use important economic events such as Covid-19 outbreak, economic indicators, or **one or more** of the Leading Economic Indicators (LEI) published by the US Department of Commerce to formulate your qualitative forecast. You can search Google **Leading Economic Indicators**.
- C. Explain how the event, indicator, or each of the indicators might affect future sales and/or service. (For example, if the average work week of production workers in manufacturing increased, explain the effect on your company's sales.) Explain which or among these indicators would be most important in formulating your qualitative forecast.

Your paper will be graded on the following criteria:

- 1. Use of **REGRESSION ANALYSIS** to analyze the company or agency and its product(s) or service(s). Explain your REGRESSION ANALYSIS model(s) OUTPUT.
- 2. Degree to which information was sought and attained.
- 3. Quality of your analysis of the demand for products, sales, or firm's pricing.
- 4. Quality of your recommendations for future new or current product(s)/service(s) pricing.

In writing your term paper, below are some other guidelines that will assist you.

**A. Start by defining your objective for the problem you are about to solve and analyze.**

For example, if you wish to find out why your grades are low? A demand equation may be:  
 $Q_d \text{ of grade} = F$  (# of hours spent studying, degree of understanding the textbook and end-of-chapter questions, following course instructions and etc.). A possible demand function may be:  $Q_d \text{ of grade} = a + bHrs + cUt + dIns$ .

Of course, for this project, you should formulate a demand function for the products or service of a company or institution. The dependent variable and independent variables must be measurable. Quantity demanded may be measured by the number of products or services purchased. You should:

1. Show your data: Describe where and how did you obtain the data, the number of the sample observations, the sample period, etc.
2. Show your equation: Build and state your demand function (Chapter 2). Describe what dependent variable is and what independent variables are.
3. Show your Regression analysis (Chapter 4): Provide a table that includes the regression results. Explain about the R-square, F-statistic, and parameter estimates of the intercept and other independent variables. See examples on pages 127,136, 137 and 138.
4. Interpret your regression analysis (Chapters 4, 7): Interpret the meanings and the statistical significance of the R-square, F-statistic, and parameter estimates of the intercept and other independent variables.
5. Show your elasticity calculation (Chapter 6): Compute the elasticity and interpret meaning.
6. Show your forecasting (Chapter 7). See examples on pages 252, 254, 255, 256,257 and 258.
7. Show your marginal analysis (Chapter 3) if available.
8. Include parts 1 – 2 above in the Research Method section and parts 3 – 6 in the Main Findings section.

**B. THIS IS THE MOST IMPORTANT PART OF THIS COURSE.** If you have questions, feel free to contact me.

**In addition, you may analyze the U.S. and global economy using economic data:**

- GDP, trade imbalance – US Department of Commerce Bureau of Economic Analysis:  
<http://www.bea.gov/>
- Industrial production – Federal Reserve Board:  
<http://www.federalreserve.gov/releases/g17/current/>
- PMI manufacturing index – Institute for Supply Management:  
<http://www.ism.ws/ISMReport/content.cfm?ItemNumber=13339>
- Interest Rates, Treasury bond yield – Federal Reserve Board:  
<http://www.federalreserve.gov/releases/h15/data.htm>
- Foreign exchange rates – Federal Reserve Board:  
<http://www.federalreserve.gov/releases/h10/hist/>
- Unemployment rate – Bureau of Labor Statistics:  
<http://data.bls.gov/timeseries/LNS14000000>
- Nonfarm payroll – Bureau of Labor Statistics:  
[http://data.bls.gov/pdq/SurveyOutputServlet?request\\_action=wh&graph\\_name=CE\\_cesbr ef1](http://data.bls.gov/pdq/SurveyOutputServlet?request_action=wh&graph_name=CE_cesbr ef1)
- Jobless claims – Bureau of Labor Statistics:  
<http://www.tradingeconomics.com/united-states/jobless-claims>
- Consumer Price Index – Bureau of Labor Statistics:  
<http://www.bls.gov/cpi/tables.htm>
- Consumer Sentiment – Conference Board:  
<http://www.tradingeconomics.com/united-states/consumer-confidence>

**You analyze the industry and company using data available on financial websites:**

- Analysis on the economy, industry, stocks and options. Sources of data include:
  - Reuters: [www.reuters.com](http://www.reuters.com)
  - Bloomberg: [www.bloomberg.com](http://www.bloomberg.com)
  - CNBC: <http://www.cnbc.com/>
  - Wall Street Journal: [www.wsj.com](http://www.wsj.com)
- You may use the following data sources to analyze the company:
  - Company profiles and financial statements – SEC EDGAR 10-K, 10-Q reports:  
<http://www.sec.gov/edgar/searchedgar/companysearch.html>
  - Company profiles, news, stock prices, and financial statements – Yahoo finance: <http://finance.yahoo.com/>
  - Company profiles, news, and financial statements – Google finance:  
<https://www.google.com/finance>
  - Company profiles, news, and financial statements – Reuters:  
<http://www.reuters.com/>

## PROJECT SUBMISSION RULES:

In order to assure that all your assignments as well as your project are submitted, I will only use **Blackboard** Assignment submission tool. To submit assignments or projects please *do the following*:

- 1) Type your paper in MS Word and save the file as a ***PDF file*** on your computer.
- 2) Click the “Browse My Computer” button on Blackboard to attach the file. (Do not type in the Submission window). Browse your computer's hard drive, floppy drive, or USB flash drive to locate the file you wish to submit. Enter any comments you need to make to me.
- 3) Then click the "Submit" button at the bottom of the screen. Your assignment cannot be retrieved once submitted.

The Research Paper Project is due on the date indicated in the syllabus and it must be submitted through Blackboard by MIDNIGHT of the due date. Any Research Project submitted late will have the grade reduced by 25% for each day it is late. ALSO, your Research Project **MUST be completed and turned in** to receive a passing grade in the Course.