how business leaders use managerial economics to make business decisions indicating how profits may be impacted.

Step 1:

A subfield of economics called managerial economics deals with the use of economic principles in managerial decision-making. Economics is the study of how products and services are produced, distributed, and consumed.

Managerial Economics is the integration of economic theory with business operations to facilitate management's decision-making and long-term planning. Managerial Economics helps business managers find logical solutions to problems they encounter when carrying out their duties.

Step 2:

Managers can make decisions on benefit planning and control with the use of managerial economics. Managerial Economics is synchronised with planning and control in any organisation or company, which raises the significance of the discipline. Therefore, it has a significant impact on corporate decisions.

Managerial Economics helps business managers find logical solutions to problems they encounter when carrying out their duties. It applies economic theory and ideas. Making logical managerial decisions is aided by it. The microeconomic theory of the firm is the foundation of managerial economics.

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Managerial economics, often known as business economics or managerial economics, is a subfield of economics that helps managers make a variety of decisions by applying microeconomic analysis to the decision-making processes used by corporations or other management unit

In managerial economics, the firm's profit is maximised.

In general, a company optimises profits when its marginal revenue equals its marginal cost. The marginal cost will be higher than the marginal revenue if the company produces more than this point at which they are equal.