



## UNSW Course Outline

# ECON5323 Organisational Economics - 2024

Published on the 25 Aug 2024

## General Course Information

**Course Code :** ECON5323

**Year :** 2024

**Term :** Term 3

**Teaching Period :** T3

**Is a multi-term course? :** No

**Faculty :** UNSW Business School

**Academic Unit :** School of Economics

**Delivery Mode :** Multimodal

**Delivery Format :** Standard

**Delivery Location :** Kensington

**Campus :** Sydney

**Study Level :** Postgraduate

**Units of Credit :** 6

### Useful Links

[Handbook Class Timetable](#)

## Course Details & Outcomes

### Course Description

This course studies the internal organisation of firms and other organisations. It provides a rigorous introduction to foundational theories, and then discusses applications to real-world managerial problems. How should incentives be designed in organisations? How should conflict

within an organisation be resolved? When should organisations outsource and when should they produce internally? Why do organisations arise in market economies? Tools from game theory, information economics and contract theory are introduced and applied to analyse these (and other) questions.

## Course Aims

This course is offered as part of the Graduate Certificate in Economics and Master of Applied Economics programs. Knowledge of microeconomics equivalent to ECON5103 or ECON5101 at UNSW is required.☒

# Course Learning Outcomes

Course Learning Outcomes	Program learning outcomes
CLO1 : Critically assess the effectiveness of different incentive schemes and organisational structures in motivating performance and resolving conflicts of interest within organisations.	<ul style="list-style-type: none"> <li>• PLO1 : Business Knowledge</li> <li>• PLO2 : Problem Solving</li> <li>• PLO4 : Teamwork</li> <li>• PLO5 : Responsible Business Practice</li> <li>• PLO6 : Global and Cultural Competence</li> <li>• PLO7 : Leadership Development</li> </ul>
CLO2 : Analyze and solve game-theoretic models of organisational issues, and appropriately apply them to interpret and analyse real-world organisational problems.	<ul style="list-style-type: none"> <li>• PLO1 : Business Knowledge</li> <li>• PLO2 : Problem Solving</li> <li>• PLO3 : Business Communication</li> <li>• PLO4 : Teamwork</li> <li>• PLO6 : Global and Cultural Competence</li> </ul>
CLO3 : Specify and solve game-theoretic models of incentives and decision rights, and apply them to interpret and analyse real-world organisational problems.	<ul style="list-style-type: none"> <li>• PLO1 : Business Knowledge</li> <li>• PLO2 : Problem Solving</li> <li>• PLO3 : Business Communication</li> <li>• PLO4 : Teamwork</li> <li>• PLO6 : Global and Cultural Competence</li> </ul>
CLO4 : Articulate and elucidate and explain concepts related to organisational economics through effective communication.	<ul style="list-style-type: none"> <li>• PLO1 : Business Knowledge</li> <li>• PLO3 : Business Communication</li> <li>• PLO4 : Teamwork</li> <li>• PLO5 : Responsible Business Practice</li> <li>• PLO6 : Global and Cultural Competence</li> <li>• PLO7 : Leadership Development</li> </ul>

Course Learning Outcomes	Assessment Item
CLO1 : Critically assess the effectiveness of different incentive schemes and organisational structures in motivating performance and resolving conflicts of interest within organisations.	<ul style="list-style-type: none"> <li>• Teamwork Assignment</li> <li>• Problem Sets</li> <li>• Final Exam</li> </ul>
CLO2 : Analyze and solve game-theoretic models of organisational issues, and appropriately apply them to interpret and analyse real-world organisational problems.	<ul style="list-style-type: none"> <li>• Teamwork Assignment</li> <li>• Problem Sets</li> <li>• Final Exam</li> </ul>
CLO3 : Specify and solve game-theoretic models of incentives and decision rights, and apply them to interpret and analyse real-world organisational problems.	<ul style="list-style-type: none"> <li>• Teamwork Assignment</li> <li>• Problem Sets</li> <li>• Final Exam</li> </ul>
CLO4 : Articulate and elucidate and explain concepts related to organisational economics through effective communication.	<ul style="list-style-type: none"> <li>• Teamwork Assignment</li> <li>• Problem Sets</li> <li>• Final Exam</li> </ul>

# **Learning and Teaching Technologies**

Moodle - Learning Management System | Zoom | Echo 360

## **Learning and Teaching in this course**

### **Learning Activities and Teaching Strategies**

The examinable content of the course is defined by the references given in the lecture schedule, the content of lectures, and the content of the seminar program.

#### **Lectures**

The purpose of lectures is to provide a logical structure for the topics that make up the course; to emphasise the important concepts and methods of each topic, and to provide relevant examples to which the concepts and methods are applied. In T3, lectures will be online. Each week, there will be two lectures covering a specific topic.

#### **Seminars**

There will be 6 seminars of 2 hours each, the first seminar being on week 2 (see the Course Schedule for dates). Both online and in-person seminars will be available for this course.

Students will be able to sign up for either an in-person seminar or an online seminar. During the seminars, the seminar leader will recap some concepts from the lectures and the students will work on the course exercises with the seminar leader. The students will have the opportunity to discuss the material in that week's lectures with the seminar leader and ask questions.

# Assessments

## Assessment Structure

Assessment Item	Weight	Relevant Dates	Program learning outcomes
Teamwork Assignment Assessment Format: Group	20%	Start Date: Not Applicable Due Date: 6PM on Friday of Week 3 and Week 9	<ul style="list-style-type: none"><li>• PLO1 : Business Knowledge</li><li>• PLO2 : Problem Solving</li><li>• PLO3 : Business Communication</li><li>• PLO4 : Teamwork</li><li>• PLO5 : Responsible Business Practice</li><li>• PLO6 : Global and Cultural Competence</li><li>• PLO7 : Leadership Development</li></ul>
Problem Sets Assessment Format: Individual	40%	Start Date: Not Applicable Due Date: 6 PM on Friday of Week 5 and Week 7	<ul style="list-style-type: none"><li>• PLO1 : Business Knowledge</li><li>• PLO2 : Problem Solving</li><li>• PLO3 : Business Communication</li></ul>
Final Exam Assessment Format: Individual	40%	Start Date: Not Applicable Due Date: Not Applicable	<ul style="list-style-type: none"><li>• PLO1 : Business Knowledge</li><li>• PLO3 : Business Communication</li><li>• PLO2 : Problem Solving</li><li>• PLO5 : Responsible Business Practice</li></ul>

## Assessment Details

### Teamwork Assignment

#### Assessment Overview

There will be 2 teamwork questions. Students will be divided into groups of 3 or 4. Each group will analyse two assigned questions by using concepts from the course. Submissions should be brief and brainstormed and written as a team. The teamwork questions will be provided and submitted via Moodle.

#### Course Learning Outcomes

- CLO1 : Critically assess the effectiveness of different incentive schemes and organisational structures in motivating performance and resolving conflicts of interest within organisations.
- CLO2 : Analyze and solve game-theoretic models of organisational issues, and appropriately apply them to interpret and analyse real-world organisational problems.
- CLO3 : Specify and solve game-theoretic models of incentives and decision rights, and apply them to interpret and analyse real-world organisational problems.
- CLO4 : Articulate and elucidate and explain concepts related to organisational economics through effective communication.

### Detailed Assessment Description

Each teamwork assignment will be worth 10%.

### Assignment submission Turnitin type

This is not a Turnitin assignment

### Generative AI Permission Level

#### **Simple Editing Assistance**

In completing this assessment, you are permitted to use standard editing and referencing functions in the software you use to complete your assessment. These functions are described below. You must not use any functions that generate or paraphrase passages of text or other media, whether based on your own work or not.

If your Convenor has concerns that your submission contains passages of AI-generated text or media, you may be asked to account for your work. If you are unable to satisfactorily demonstrate your understanding of your submission you may be referred to UNSW Conduct & Integrity Office for investigation for academic misconduct and possible penalties.

For more information on Generative AI and permitted use please see [here](#).

## **Problem Sets**

### Assessment Overview

There will be two problem sets. These problem sets give you the opportunity to: (i) practise the techniques demonstrated in class, (ii) extend the analysis by deriving new results and/or by considering different situations, and (iii) apply the results of the analysis to understand relevant managerial issues. The problem sets will be provided and submitted via Moodle.

### Course Learning Outcomes

- CLO1 : Critically assess the effectiveness of different incentive schemes and organisational structures in motivating performance and resolving conflicts of interest within organisations.
- CLO2 : Analyze and solve game-theoretic models of organisational issues, and appropriately apply them to interpret and analyse real-world organisational problems.
- CLO3 : Specify and solve game-theoretic models of incentives and decision rights, and apply them to interpret and analyse real-world organisational problems.
- CLO4 : Articulate and elucidate and explain concepts related to organisational economics through effective communication.

### Detailed Assessment Description

Each problem set is worth 20%.

## Assignment submission Turnitin type

This is not a Turnitin assignment

## Generative AI Permission Level

### **Simple Editing Assistance**

In completing this assessment, you are permitted to use standard editing and referencing functions in the software you use to complete your assessment. These functions are described below. You must not use any functions that generate or paraphrase passages of text or other media, whether based on your own work or not.

If your Convenor has concerns that your submission contains passages of AI-generated text or media, you may be asked to account for your work. If you are unable to satisfactorily demonstrate your understanding of your submission you may be referred to UNSW Conduct & Integrity Office for investigation for academic misconduct and possible penalties.

For more information on Generative AI and permitted use please see [here](#).

## **Final Exam**

### Assessment Overview

The exam will consist of short essay type questions and exercises. The problems will be based on the lectures, course exercises, problem sets and teamwork questions. All material covered in the lectures and seminars is examinable.

### Course Learning Outcomes

- CLO1 : Critically assess the effectiveness of different incentive schemes and organisational structures in motivating performance and resolving conflicts of interest within organisations.
- CLO2 : Analyze and solve game-theoretic models of organisational issues, and appropriately apply them to interpret and analyse real-world organisational problems.
- CLO3 : Specify and solve game-theoretic models of incentives and decision rights, and apply them to interpret and analyse real-world organisational problems.
- CLO4 : Articulate and elucidate and explain concepts related to organisational economics through effective communication.

### Assessment Length

2 hours

### Submission notes

University exam period

### Assignment submission Turnitin type

This is not a Turnitin assignment

### Generative AI Permission Level

#### No Assistance

This assessment is designed for you to complete without the use of any generative AI. You are not permitted to use any generative AI tools, software or service to search for or generate information or answers.

For more information on Generative AI and permitted use please see [here](#).

## General Assessment Information

### Grading Basis

Standard

### Requirements to pass course

In order to pass this course students must:

- Achieve a composite mark of at least 50 out of 100
- Engage actively in course learning activities and attempt all assessment requirements
- Meet any additional requirements specified in the assessment details
- Meet the specified attendance requirements of the course (see Schedule section)

# Course Schedule

Teaching Week/Module	Activity Type	Content
Week 1 : 9 September - 15 September	Lecture	Introduction and Maths and Game Theory Review
Week 2 : 16 September - 22 September	Lecture	Introduction to Incentives
	Seminar	Lecture Material: Week 1
Week 3 : 23 September - 29 September	Lecture	Perverse Incentives Teamwork questions 1 due on Friday at 6.00 pm
	Seminar	Lecture Material: Week 2
Week 4 : 30 September - 6 October	Lecture	Noisy Incentives and Relative Performance Evaluation
	Seminar	Lecture material: Week 3
Week 5 : 7 October - 13 October	Lecture	No lecture or seminar Problem Set 1 due on Friday at 6.00 pm
Week 6 : 14 October - 20 October	Lecture	Managing Careers - Training and promotions
	Seminar	Lecture material: Week 4
Week 7 : 21 October - 27 October	Lecture	Managing Careers - Long-term perspective Problem Set 2 due on Friday at 6.00 pm
	Seminar	Lecture material: Weeks 6 & 7
Week 8 : 28 October - 3 November	Lecture	Choosing Workers
Week 9 : 4 November - 10 November	Lecture	Organisational Structure Teamwork questions 2 due on Friday at 6.00 pm
	Seminar	Lecture Material: Weeks 7 & 8
Week 10 : 11 November - 17 November	Lecture	Catch-up lectures/review session if needed

## Attendance Requirements

Students are strongly encouraged to attend all classes and review lecture recordings.

## Course Resources

### Prescribed Resources

The website for this course is on UNSW Moodle.

There is no assigned textbook for this course; lecture notes will be provided. However, students who are interested in further reading on the topic may refer to the following textbooks:

**Personnel Economics in Practice 3e; (2014) Author: Lazear & Gibbs**

Print: <https://www.bookshop.unsw.edu.au/details.cgi?ITEMNO=9781118206720>

Digital: <https://unswbookshop.vitalsource.com/products/-v9781118918760>

**Economics Organization & Management; (1992) Author: Milgrom & Roberts**

Digital: N/A

## Course Evaluation and Development

Feedback is regularly sought from students and continual improvements are made based on this feedback. At the end of this course, you will be asked to complete the [myExperience survey](#), which provides a key source of student evaluative feedback. Your input into this quality enhancement process is extremely valuable in assisting us to meet the needs of our students and provide an effective and enriching learning experience. The results of all surveys are carefully considered and do lead to action towards enhancing educational quality.

The School of Economics strives to be responsive to student feedback. If you would like more information on how the design of this course and changes made to it over time have taken students' needs and preferences into account, please contact the Director of Education at the School of Economics.

### Consent for De-Identified Data to be Used for Secondary Research into Improving Student Experience

To enhance your student experience, researchers at UNSW conduct academic research that involves the use of de-identified student data, such as assessment outcomes, course grades, course engagement and participation, etc. Students of this course are being invited to provide their consent for their de-identified data to be shared with UNSW researchers for research purposes after the course is completed.

Providing consent for your de-identified data to be used in academic research is voluntary and not doing so will not have an impact on your course grades.

Researchers who want to access your de-identified data for future research projects will need to submit individual UNSW Ethics Applications for approval before they can access your data.

A full description of the research activities aims, risks associated with these activities and how your privacy and confidentiality will be protected at all times can be found [here](#).

If you consent to have your de-identified data used for academic research into improving student experience, you do not need to do anything. Your consent will be implied, and your data may be used for research in a format that will not individually identify you after the course is completed.

If you do not consent for this to happen, please email the opt-out form to [seer@unsw.edu.au](mailto:seer@unsw.edu.au) to opt-out from having your de-identified data used in this manner. If you complete the opt-out form, the information about you that was collected during this course will not be used in academic research.

## Staff Details

Position	Name	Email	Location	Phone	Availability	Equitable Learning Services Contact	Primary Contact
Convenor	Frederique Goy				Tuesday 5.30 to 6.30 pm and by appointments	No	Yes

## Other Useful Information

### Academic Information

#### COURSE POLICIES AND SUPPORT

The Business School expects that you are familiar with the contents of this course outline and the UNSW and Business School learning expectations, rules, policies and support services as listed below:

- Program Learning Outcomes
- Academic Integrity and Plagiarism
- Student Responsibilities and Conduct
- Special Consideration
- Protocol for Viewing Final Exam Scripts
- Student Learning Support Services

Further information is provided on the [Policies and Guidelines](#) page.

Students may not circulate or post online any course materials such as handouts, exams, syllabi or similar resources from their courses without the written permission of their instructor.

### STUDENT LEARNING OUTCOMES

The Course Learning Outcomes (CLOs) – under the Outcomes tab – are what you should be able to demonstrate by the end of this course, if you participate fully in learning activities and successfully complete the assessment items.

CLOs also contribute to your achievement of the Program Learning Outcomes (PLOs), which are

developed across the duration of a program. PLOs are, in turn, directly linked to [UNSW graduate capabilities](#). More information on Coursework PLOs is available on the [Policies and Guidelines](#) page. For PG Research PLOs, including MPDBS, please refer to [UNSW HDR learning outcomes](#).

## Academic Honesty and Plagiarism

As a student at UNSW you are expected to display [academic integrity](#) in your work and interactions. Where a student breaches the [UNSW Code of Conduct](#) with respect to academic integrity, the University may take disciplinary action. To assure academic integrity, you may be required to demonstrate reasoning, research and the process of constructing work submitted for assessment.

To assist you in understanding what academic integrity means, and how to ensure that you do comply with the UNSW Code of Conduct, it is strongly recommended that you complete the [Working with Academic Integrity](#) module before submitting your first assessment task. It is a free, online self-paced Moodle module that should take about one hour to complete.

## Submission of Assessment Tasks

### SHORT EXTENSIONS

Short Extension is a new process that allows you to apply for an extended deadline on your assessment without the need to provide supporting documentation, offering immediate approval during brief, life-disrupting events. Requests are automatically approved once submitted.

Short extensions are ONLY available for some assessments. Check your course outline or Moodle to see if this is offered for your assessments. Where a short extension exists, all students enrolled in that course in that term are eligible to apply. Further details are available the [UNSW Current Students](#) page.

### SPECIAL CONSIDERATION

You can apply for special consideration when illness or other circumstances beyond your control interfere with your performance in a specific assessment task or tasks, including online exams. Special consideration is primarily intended to provide you with an extra opportunity to demonstrate the level of performance of which you are capable.

Applications can only be made online and will NOT be accepted by teaching staff. Applications will be assessed centrally by the Case Review Team, who will update the online application with the outcome and add any relevant comments. The change to the status of the application immediately sends an email to the student and to the assessor with the outcome of the application. The majority of applications will be processed within 3-5 working days.

For further information, and to apply, see Special Consideration on the UNSW [Current Students](#) page.

## LATE SUBMISSION PENALTIES

### LATE SUBMISSION PENALTIES

For assessments other than examinations, late submission will incur a penalty of 5% per day or part thereof (including weekends) from the due date and time. An assessment will not be accepted after 5 days (120 hours) of the original deadline unless special consideration has been approved. In the case of an approved Equitable Learning Plan (ELP) provision, special consideration or short extension, the late penalty applies from the date of approved time extension. After five days from the extended deadline, the assessment cannot be submitted.

An assessment is considered late if the requested format, such as hard copy or electronic copy, has not been submitted on time or where the 'wrong' assessment has been submitted.

For assessments which account for 10% or less of the overall course grade, and where answers are immediately discussed or debriefed, the LIC may stipulate a different penalty. Details of such late penalties will be available on the course Moodle page.

## FEEDBACK ON YOUR ASSESSMENT TASK PERFORMANCE

Feedback on student performance from formative and summative assessment tasks will be provided to students in a timely manner. Assessment tasks completed within the teaching period of a course, other than a final assessment, will be assessed and students provided with feedback, with or without a provisional result, within 10 working days of submission, under normal circumstances. Feedback on continuous assessment tasks (e.g. laboratory and studio-based, workplace-based, weekly quizzes) will be provided prior to the midpoint of the course.

## **Faculty-specific Information**

### **PROTOCOL FOR VIEWING FINAL EXAM SCRIPTS**

UNSW students have the right to view their final exam scripts, subject to a small number of very specific exemptions. The UNSW Business School has set a [protocol](#) under which students may view their final exam script. Individual schools within the Faculty may also set up additional local processes for viewing final exam scripts, so it is important that you check with your School.

If you are completing courses from the following schools, please note the additional school-specific information:

- Students in the **School of Accounting, Auditing & Taxation** who wish to view their final examination script should also refer to [this page](#).
- Students in the **School of Banking & Finance** should also refer to [this page](#).
- Students in the **School of Information Systems & Technology Management** should also refer to [this page](#).

### **COURSE EVALUATION AND DEVELOPMENT**

Feedback is regularly sought from students and continual improvements are made based on this feedback. At the end of this course, you will be asked to complete the [myExperience survey](#), which provides a key source of student evaluative feedback. Your input into this quality enhancement process is extremely valuable in assisting us to meet the needs of our students and provide an effective and enriching learning experience. The results of all surveys are carefully considered and do lead to action towards enhancing educational quality.

### **QUALITY ASSURANCE**

The Business School is actively monitoring student learning and quality of the student experience in all its programs. A random selection of completed assessment tasks may be used for quality assurance, such as to determine the extent to which program learning goals are being achieved. The information is required for accreditation purposes, and aggregated findings will be used to inform changes aimed at improving the quality of Business School programs. All material used for such processes will be treated as confidential.

### **TEACHING TIMES AND LOCATIONS**

Please note that teaching times and locations are subject to change. Students are strongly

advised to refer to the [Class Timetable website](#) for the most up-to-date teaching times and locations.