

Assessment Action Plan Form

Degree Program: Undergraduate Business Economics

Reviewer(s): McKinley Blackburn, Chair, Department of Economics

Learning Goal 1: Our graduates will understand core microeconomic theories and concepts.

Date:

Assessment Activity/Course: Exam Questions, ECON 321, Fall 2017 and Spring 2018

Current Success Criteria: With respect to microeconomic theory, seventy percent of students are expected to achieve an acceptable pass rate (75%) for all of the questions related to: (a) Consumer utility maximization; (b) Producer profit maximization; (c) Equilibrium and welfare analysis under different market structures; and (d) Importance of externalities.

Questions

What do the assessment results mean for the program?

The program seems to be meeting the expectations with respect to microeconomic theory concepts, as almost 80 percent of students are meeting the expected pass rate.

As a result of this assessment, what actions will be taken to improve the curriculum, delivery, or other components of this program?

Our sense is that the basic micro theory is being learned appropriately in the 321 class. However, we plan to continue monitoring graduates' understanding of these concepts.

What could make the assessment of this learning goal more effective?

I think the mechanism is adequate, as the set of questions asked cover a number of concepts in microeconomic theory.

General Comments:

*** Please attach responses.**

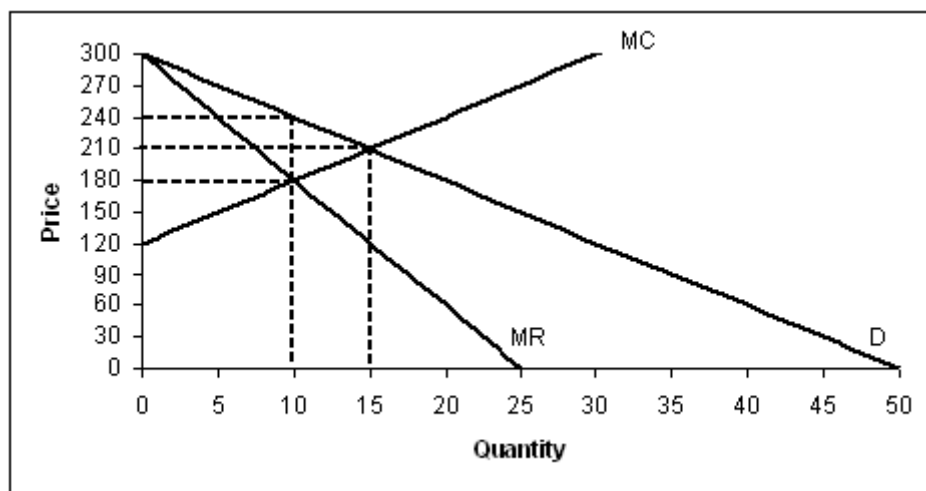
Results Summary, LG1, ECON 321 (Miao)

Question Number	Learning Goal	Percent Correct	Percent of Students Scoring $\geq 75\%$ for All Questions Related to Learning Goal	Term
5, 6, 7, 8, 10	1) Our graduates will understand core microeconomic theories and concepts.	79.5	81.8	Fall 2017
5, 6, 7, 8, 10	1) Our graduates will understand core microeconomic theories and concepts.	78.6	80.2	Spring 2018

Exam Questions, LG1, ECON 321 (Miao)

5. If supply is relatively inelastic when compared with demand in a perfectly competitive market,
- A) consumers will share a larger burden of an excise tax than producers.
 - B) consumers and producers will share the burden of an excise tax equally.
 - C) producers will share a larger burden of an excise tax than consumers.
 - D) the incidence of the tax cannot be determined without more information.

Use the following to answer question 6:



6. The deadweight loss under monopoly would be
- A) 75
 - B) 150
 - C) 225
 - D) 300
7. When the market for product X includes a negative externality,
- A) marginal social cost exceeds marginal private cost.
 - B) marginal private cost exceeds marginal social cost.
 - C) marginal social benefit exceeds marginal private benefit.
 - D) marginal private benefit exceeds marginal social benefit.

8. When the competitive market for product X includes a negative consumption externality,
- A) Relative to the social optimal, too much of X will be consumed.
 - B) Relative to the social optimal, too little of X will be consumed.
 - C) The socially optimal amount of X will be consumed.
 - D) Whether too much or too little of X will be consumed depends on whether the marginal cost of X is zero

10. When market price is P5, a profit-maximizing firm's profits can be represented by the area
- A) $P_5 \times Q_3$.
 - B) $(P_5 - P_3) \times Q_2$.
 - C) $(P_5 - P_4) \times Q_3$.
 - D) When market price is P5 there are no profits.

