

# Discussion 2 week 11 best practices

[Business](#)



Best Practices al Affiliation Best Practices Create a list of three (3) best practices to follow in the field of managerialeconomics and globalization. Provide a rationale for your response.

The best practices to follow in the field of managerial economics and globalization are as follows: (1) be cognizant in determining the basic of demand and supply in various market structures to enable accurate evaluation of pricing and output strategies; (2) forecasting models would assist decision-makers in assuming a proactive stance at anticipating the organization's needs and opportunities, as well as in warding off risks and threats; and (3) always evaluate the strategies of competitors to determine the most appropriate reaction and response.

Managerial economics provided the theoretical frameworks for understanding the concept of demand and supply; as well as illuminating practitioners on differences in market structures (McGuigan, Moyer and Harris). From the experience in Katrina's Candies, it was revealed that there are pricing strategies that should be applied depending on the market structure that the organization is in: either in an oligopoly or monopolist structure.

Likewise, forecasting tools are analytical techniques which provide insights to the organization's decision makers in terms of evaluating options according to anticipated results. The value of forecasting lies in the accuracy of identifying factors which could significantly affect the plans of the firm. As such, it is best practice to apply it and it helps in making responsible decisions based on projected goals.

Finally, globalization takes into account increasing pressures for more competitors. As such, there is a need to undertake market research to <https://assignbuster.com/discussion-2-week-11-best-practices/>

discern the most-likely reaction and response of competitors should external factors affect the industry. The recession that affected the global market required application of transformed strategies to adapt and adjust to changes in demand and supply. As such, the reactions of competitors are useful inputs to work on.

#### Reference

McGuigan, J. R., R. C. Moyer and F. dB. Harris. Managerial Economics: Applications, Strategy and Tactics. Cengage Learning, 2014.