

**BOWEN UNIVERSITY,
COLLEGE OF SOCIAL AND MANAGEMENT SCIENCES
ECONOMICS PROGRAMME
B.Sc. DEGREE EXAMINATION 2020/2021 ACADEMIC SESSION
FIRST SEMESTER EXAMINATION (Part B)**

Course code: ECN 418

Course credit: 3

Course Title: Economics of Production

Time Allowed: 1 hour

**Instruction: You are required to answer all questions in this section.
Each question awards 2 marks.**

1. In setting prices, there are certain factors that should be taken into account. Mention four of such factors that you know.
2. Give a clear details of the four pricing strategies known to you
3. What do you understand by mark-up and Margin? How do you calculate them?
4. If the company's sales are £320,000 and the gross mark-up is 25%. What is the value of the cost of goods sold?
5. List six pricing models that you know.
6. Briefly describe the following cost concepts
 - a. Sunk cost
 - b. Marginal cost
 - c. Explicit cost
 - d. Implicit cost
7. Describe briefly the relationship between marginal, Average variable cost and average total cost
8. Provide a succinct description on the Minimum Efficient scale?
9. Compare and contrast the Economies of scale and Diminishing Marginal returns.
10. What is the Elasticity of Factor Substitution? Provide its appropriate formula.
11. Clarify the differences between Job Design and Job Analysis.

12. State the three possible methods of Job Analysis and explain briefly
13. Job analysis plays a significant role in the structure of the HR department. What are the purposes of Job analysis?
14. Outline the various steps involved in a job design.
15. If the company's cost of goods is £95,000 and the gross mark up is 50% what will be the value of sales?