

BUSM 2005 COST BENEFIT ANALYSIS

Credit Points 10

Legacy Code 200924

Coordinator Neil Perry ([https://directory.westernsydney.edu.au/search/name/Neil Perry/](https://directory.westernsydney.edu.au/search/name/Neil%20Perry/))

Description Students will learn and apply Cost Benefit Analysis, the most commonly used economic tool in business, consultancy and government organisations. The unit is a core unit in the Economics major but is open to all students who have a basic understanding of economics and a desire to improve their analytical skills and employability. At the completion of the unit, students will be able to explain the economic foundations of cost-benefit analysis and they will have experience with analysing, critically evaluating and developing a cost-benefit analysis for a specific proposal. Students will also consider risk analysis and cost-effectiveness analysis.

School Business

Discipline Economics

Student Contribution Band HECS Band 4 10cp

Check your HECS Band contribution amount via the Fees (https://www.westernsydney.edu.au/currentstudents/current_students/fees/) page.

Level Undergraduate Level 2 subject

Pre-requisite(s) BUSM 1006 OR
ECON 1011 OR
MKTG 1005

Assumed Knowledge

Basic understanding of economics.

Learning Outcomes

On successful completion of this subject, students should be able to:

1. Explain the welfare economics foundation to cost-benefit analysis.
2. Critically evaluate a cost-benefit analysis.
3. Conduct a cost-benefit analysis.
4. Distinguish between cost-benefit and cost-effectiveness analysis.
5. Explain the role of uncertainty and risk when evaluating proposals.

Subject Content

1. Conceptual and microeconomic foundations to cost-benefit analysis.
2. Steps in a cost-benefit analysis.
3. Valuing social benefits.
4. Evaluating indirect effects.
5. Opportunity costs, market and shadow prices.
6. Valuing non-market goods.
7. Discounting and the decision criteria.
8. Uncertainty and risk analysis.
9. Applications.
10. Cost-effectiveness analysis.

Assessment

The following table summarises the standard assessment tasks for this subject. Please note this is a guide only. Assessment tasks are

regularly updated, where there is a difference your Learning Guide takes precedence.

| Item | Length | Percent | Threshold | Individual/ Group Task |
|-------------------|-------------|---------|-----------|---------------------------|
| Professional Task | 1 500 words | 25 | N | Individual |
| Portfolio | 2 000 words | 25 | N | Group |
| Final Exam | 2 hours | 50 | N | Individual |

Teaching Periods

Autumn

Online

Online

Subject Contact Neil Perry ([https://directory.westernsydney.edu.au/search/name/Neil Perry/](https://directory.westernsydney.edu.au/search/name/Neil%20Perry/))

View timetable (https://classregistration.westernsydney.edu.au/even/timetable/?subject_code=BUSM2005_22-AUT_ON_0#subjects)