JUPITER PRIME

Consulting • Training • Advisory

جوبيتر برايم للاستشارات والتدريب

COURSE BROCHURE

Practical Econometrics for Managerial Decision Making Training Course

4 – 8 April 2027
Sharm El-Sheikh

Practical Econometrics for Managerial Decision Making Training Course

Ref: 3016_114360 **Date:** 4 – 8 April 2027 **Location:** Sharm El-Sheikh **Fees:** 5500 GBP

Practical Econometrics for Managerial Decision Making is a 1-week training course for managers, planners and business analysts who need to turn sales, cost and market records into estimated relationships, ending with a model-based decision memo. As pricing and policy choices are questioned more closely by boards and budget holders, organisations need estimates they can defend. Jupiter Prime Training delivers this course on practical econometrics for managerial decision making.

Why Practical Econometrics Matters Now

Three forces push estimation onto the management agenda. Transaction systems record prices, volumes and promotions in fine detail. Finance committees expect a price change to arrive with a measured effect. Customers react faster to rivals, so elasticities drift. An organisation that estimates demand drivers carefully sets prices, stock and targets on evidence it can explain; one that reads correlations as causes risks costly reversals. Sound estimation rests on four habits the course builds: specifying, testing, interpreting and explaining a model.

Who Gains Most from Practical Econometrics

- Commercial planners responsible for volume forecasts, price lists and promotion calendars
- Finance partners who test budget assumptions and explain variances to budget holders
- Business analysts who build estimation files and present findings to decision makers
- Operations managers who relate staffing, capacity and service levels to measured demand
- Strategy and policy officers who judge the effect of internal rules or market changes

A pricing or finance unit sending an analyst with the manager who signs off decisions gains most.

Practical Econometrics Capabilities

Participants move from a business question to an estimated equation and back to a recommendation a sceptical reader can follow.

- Specify a demand equation linking volume to price, income and seasonal factors — the pricing committee
- Calculate own-price and cross-price elasticities from estimated coefficients — the revenue target owner
- Test residuals for autocorrelation, unequal variance and outliers — the analyst signing the estimate
- Weigh omitted variables, reverse causation and selection effects — the executive reading the result
- Assess a policy or promotion effect with a before-and-after comparison group — the budget holder
- Communicate coefficient ranges and confidence in plain language — the decision memo reader

Key Practical Econometrics Terms

- Elasticity — the percentage change in quantity demanded that follows a one per cent change in price or another driver.
- Coefficient — the estimated change in the outcome for a one-unit change in an explanatory variable.
- Omitted variable bias — distortion in an estimated effect caused by leaving out a factor that drives both the outcome and an included variable.
- Confidence interval — a range of plausible values for an estimated effect, showing how precisely the data pin it down.
- Autocorrelation — correlation of a model's errors over time, which makes standard errors misleading.
- Comparison group — a set of units untouched by a change, whose movement shows what would have happened without it.

Practical Econometrics Day by Day

Day 1: Framing Business Questions as Estimable Relationships

- Causal Question Statement — Separating Prediction Needs From Effect Measurement
- Variable Mapping Of Outcomes, Drivers And Controls — Choosing What To Measure
- Cross-Section, Time Series And Panel Records — Matching Structure To Question
- Scatter Plots And Correlation Tables — Spotting Relationships Before Estimation
- Units, Logarithms And Indices — Making Coefficients Readable For Managers

Day 2: Estimating Demand Drivers and Price Effects

- Multiple Regression Estimation — Quantifying Each Driver's Contribution To Volume
- Log-Log Demand Specification — Reading Price And Income Elasticities Directly
- Dummy Variables For Seasons, Regions And Promotions — Isolating Calendar Effects
- Interaction Terms — Testing Whether Price Response Differs Across Customer Segments
- Cross-Price Elasticity Estimates — Judging Substitution And Cannibalisation Between Products

Day 3: Judging Whether Results Are Reliable

- Standard Errors And Significance Tests — Deciding Which Effects Deserve Action
- Residual Diagnostics For Unequal Variance — Protecting Confidence In Reported Ranges
- Multicollinearity Checks — Untangling Price And Promotion Moving Together
- Autocorrelation Tests In Monthly Sales Series — Avoiding Overconfident Forecasts
- Outlier And Influential Point Review — Preventing One Period Steering The Estimate

Day 4: Measuring Policy and Intervention Impacts

- Comparison Group Design — Building A Credible Counterfactual For A Rule Change
- Before-And-After Comparison Estimate — Measuring A Promotion Or Policy Effect
- Fixed Effects Across Stores Or Branches — Removing Stable Unobserved Differences
- Instrument Logic For Price Set In Response To Demand — Addressing Reverse Causation
- Scenario Simulation From Estimated Coefficients — Projecting Revenue Under Price Options

Day 5: Practising the Model-Based Decision Memo

- Retail Pricing Case Estimation — Applying Demand Specification And Elasticity Reading
- Utility Tariff Case Diagnostics — Applying Reliability Tests To A Time Series Model
- Service Policy Impact Case — Applying Comparison Group Methods To A Rule Change
- Coefficient Range Charts And Plain-Language Caveats — Presenting Uncertainty To Executives
- Model-Based Decision Memo — Recommendation, Estimate, Limits And Next Evidence Needed

Applying Practical Econometrics After the Course

- Re-estimate the price elasticity of one product line using the log-log specification and residual checks.
- Design a comparison group test for the next promotion or internal rule change so its effect can be measured.

Practical Econometrics Questions FAQ

What is practical econometrics for managerial decision making and why does it matter now?

It is the use of regression on business and economic records to measure how prices, income, seasons and policies change outcomes. It matters now because decision makers expect measured effects, not correlations, before approving prices, budgets or rule changes.

Which roles gain most from practical econometrics for managerial decision making?

Commercial planners, finance partners, business analysts, operations managers and policy officers gain most.

How does practical econometrics differ from a course on forecasting or dashboard reporting?

It focuses on measuring cause and effect rather than projecting a trend or displaying results. You learn to estimate elasticities and policy effects and to test whether those estimates can be trusted.

What do you bring back from practical econometrics for managerial decision making?

You bring back a decision memo built on a model you estimated and tested during the course. It states the recommendation, the coefficient range behind it and the main limits of the evidence.

Practical Econometrics: The Way Forward

The model-based decision memo first informs a pricing or promotion choice, read by the commercial lead and the finance partner who must agree the target. After its first use, the perspective worth revisiting is stability: elasticities shift as competitors and customers change, so the estimate should be refreshed with new periods before the next price review.