

MN4244 – BEHAVIOURAL DECISION MAKING**MODULE TYPE/SEMESTER:** Senior Honours/**Option** (20 Credits)/Semester 1**PRE-REQUISITE(S):** MN2001 and MN2002**MODULE CO-ORDINATORS:** Dr Cinla Akinci**CONTACT DETAILS:** ca61@st-andrews.ac.uk**AIM:**

The aim of this module is to provide a critical examination of the rationality of choice and the nature of human judgement. The module explores factors that affect decision making in individual and organisational contexts, and introduces key concepts from decision making research. It draws upon material from a wide range of disciplines that include social and cognitive psychology, economics, and management. We examine the problem of determining 'better judgement', rationality and its limits, in a range of contexts, and explore the nature and effectiveness of intuitive inclinations. Students will be equipped to examine how the characteristics of the decision maker and the immediate environment can help or hinder judgements and decisions, and to develop an informed understanding of the ability of individuals and teams to make effective decisions.

METHOD OF TEACHING & LEARNING:

There will be two-hour lectures weekly and four one-hour tutorials. These will be supplemented by two optional consultative hours weekly. Lectures will be supported by a comprehensive reading list and students are encouraged to read widely throughout the module. Both lectures and tutorials are interactive and require preparation and participation. Further details will be provided in the first lecture.

LEARNING OUTCOMES:

By the end of the module, students should be able to:

- Demonstrate understanding of the foundations of behavioural decision theories and ability to consider their practical applications
- Develop an informed understanding of processes that may lead to faulty choice or cognitive bias
- Develop critical thinking to evaluate the benefits and pitfalls of intuitive judgement
- Critically reflect on and be familiar with common decision traps
- Apply psychological and organisational theories and concepts to evaluate decision making processes across a range of individual and organisational contexts
- Recognise and evaluate decision environments that help people make better decisions

INDICATIVE TOPIC OUTLINE:

Lecture topics include: Introduction to problems of choice; Rationality and its limits; Intuitive decision making; Heuristics and biases; Motivated reasoning; Expert decision making models; Entrepreneurial and innovative decisions; Collective decision making; Organisational applications of behavioural decision making.

ASSESSMENT:

- Individual essay (50% of module mark)
- Exam (50% of module mark)

Further details will be provided in the first lecture of the module.

CORE READING LIST:

- There is no core textbook for the module; the weekly reading list comprises a selection of journal articles. Students are encouraged to use a variety of credible scholarly sources.
- The following provide comprehensive overviews of key module concepts:
Bazerman, M. H. & Moore, D. A. (2012) *Judgment in Managerial Decision Making*. London: John Wiley & Sons.
Gilovich, T., Griffin, D. & Kahneman, D. (Eds.) (2002) *Heuristics and Biases: The Psychology of Intuitive Judgment*. London: Cambridge University Press.
Hodgkinson, G. P. & Starbuck, W. H. (Eds.) (2008) *The Oxford Handbook of Organizational Decision Making*. New York: Oxford University Press.
Koehler, D. & Harvey, N. (2007) *Blackwell Handbook of Judgment and Decision Making*. London: Wiley-Blackwell.
- For further material, students are encouraged to browse the following journals:
Judgment and Decision Making
Journal of Behavioural Decision Making
Journal of Organizational Behavior
Organizational Behaviour and Human Decision Processes
Harvard Business Review
Human Relations
Management Science
Academy of Management Journal
Administrative Science Quarterly
Journal of Management
Journal of Management Studies
Strategic Management Journal

A more detailed weekly reading list will be provided on the module page on Moodle.

**Organisation of courses may be subject to change without notice.*