Institute of International Management (IMBA)

Behavioral Decision Theory (行為決策理論)

Fall 2021 (110 學年度第 1 學期)

1. ***This mission of the College*** is to serve business and society in the global economy through developing professionally qualified and socially responsible business leaders as well as through advancing the frontiers of knowledge in business management.
2. ***The strategic objective of the Institute of International Management*** is to cultivate future business leaders with professional knowledge, communication and leadership skills while enhancing their ethical global vision in a multicultural environment.

Graduate Program Learning Goals (goals covered by this course are indicated by checks):

✓	1	Graduate students should be able to appreciate business research and to present research findings/ results effectively in speaking and in writing.
✓	2	Graduate students should be to integrate different functional areas in solving business problems.
✓		Graduate students should be able to analyze business situations and to recommend innovative resolutions
	3	Graduate students should be able to demonstrate leadership skills of a business manager.
		Graduate students should be able to identify ethical dilemmas and to determine necessary courses of action.
	4	Graduate students should possess a global economic perspective and a vision of the global business environment.
✓	5	Graduate students should be able to coordinate actions and solve problems jointly with other members of a professional team.

Instructor: Wei-Shiun Chang
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Class Time & Location:

Prerequisite:

Course Description:

Decision

The Behavioral Decision Theory is a series of principles that guide human behaviors. In this course we go through the theories that are construct to predict human behaviors and we also look at the real behaviors that shown by humans to understand how humans think, feel, and plan to behave. Some of the behaviors are rational and some are not. In this class we will cover several topics of biases often observed in business particularly in operational management and discuss the conditions that people may fall prey to the biases.

Course Objectives:

1. Understand how natural behavioral processes lead to biases, distortion and mistakes
2. Explore the preventive measures and techniques human/ managers can use to reduce biases.
3. Improve individual or organizational decision making processes.

Course Content:

Textbook:

Suggested reading:
Behavioral Decision Theory (Springer) by Kazuhisa Takemura
An introduction to Decision Theory (Cambridge) 2nd Edition, by Martin Peterson
Dobelli, R. (2013). *The art of thinking clearly*. By Screptre.

Teaching Approach:
Lecture: 50%, Presentation 30%, and Discussion:20%

Course Material:
References:
Course Policy:

1. Cell phone should be turned off or on silent mode during class. If you really need to use a cell phone, please step outside and talk quietly.

2. Chatting (not related to the course) or eating during the lecture is considered rude unless you have prescription from your psychiatrist or physician. I won't be too hard on this but you should keep in mind not to disturb your student fellows.

3. A failing mark will be given if the conduct of plagiarism/cheating is confirmed (for the part of the project and homework).

4. Religiously observant students wishing to be absent on holidays that require missing class should notify me in writing at the beginning of the semester, and should discuss with me, in advance, acceptable ways of making up any work missed because of the absence.

Course Progress Outline: 每週進度不超過 160 bytes(中文字 2 bytes，英數 1 byte)

週次 Week	進度說明 Progress Description
1	The Introduction of Behavioral Decision Theory
2	Behavioral Economics in Social Science
3	Consumer Preference and Choice
4	Utility in Economics
5	Rationality and Bounded Rationality
6	Confusion in Information
7	Mental Operation in Psychology
8	Preference Reversal Decision Making
9	Mid-Term Exam/ Presentations

10	Dual Process Theory
11	Judgments Regarding Risk
12	Social Aspects of Mind
13	Temporal Dimensions (ODonoghue and Rabin 1999, AER)
14	The Emotion Wheel
15	Discrimination - Affection Paradox
16	Self Justification
17	Neuroscience
18	Final Exam/Presentations

Grading:

Grading for this course will come from four sources- Presentation (20%), In-Class Participation (15%), Assignment (30%) and Exam (40%).

Assignment: Students are asked to write a literature review about one behavioral decision making. For example, sunk cost is suggested normatively not to be considered in further decision making process, however, humans often fall prey to sunk cost fallacy. If you choose this topic, then survey papers that talk about sunk cost bias.

Presentation: Students are asked to present a paper that is related to their final project.

Final Exam: Final exam includes all the topics cover in the class.

Grading Policy:

(*Including a grading scheme for AACSB Multiple Assessment:)

		Presentation 30%	Exam 30%	In-Class Participation 10%	Final Report 30%
COMMU	☑ Speaking	30%		30%	
	☑ Writing		50%		25%
CPSI	☑ Interdiscip. Competence/ Prob. Solving	40%		40%	30%
	☑ Critical Thinking/ Innovation	30%	50%	30%	45%
LEAD	Leadership				
	□ Ethical Reasoning				
GLOB	□ Global Vision				
VSP	□ Teamwork				

有關課程其他調查 Other surveys of courses

1.本課程是否規劃業界教師參與教學或演講?

Will this course plan on inviting industry specialists for teaching or speech?

□ 是 Yes，約_____次 About _____ times

☑ 否 No

2.本課程是否規劃內含校外實習 (並非參訪)?

Will this course plan industry practice for student? (not visiting)

□ 是 Yes，約_____次 About _____ times

☑ 否 No