COURSE SYLLABUS

Course Description. Our subject is human judgment and decision making, with emphasis on the ways in which people’s decisions depart from rational and/or ethical standards, particularly in business and organizational settings. The course combines insights from multiple disciplines, including psychology, economics, negotiation theory, and organizational behavior. Though the instructor is a law school professor, this is not a law course and presupposes no legal background.

Prerequisites. There are no prerequisites for enrollment. Typically, students come from a wide variety of academic and professional backgrounds.

Materials. The course textbook is Bazerman & Moore, Judgment in Managerial Decision Making (8th ed. 2013). Additional readings may be posted on the course web site.

Requirements and Grading. Regular attendance and participation at class meetings, and reading each day’s assigned material before class, are important parts of the course. Grades will be based on a midterm exam (10%), class participation (40%), and a cumulative final exam (50%).

Exams. The midterm exam will be given in class on January 13, and the final exam will be given on January 21. The exams will be based on the required readings and the class discussions. They will be designed to test your comprehension of the concepts we have studied, and to show you have thought about them.

Website. The course website contains the syllabus, announcements, and other resources. Please make it a habit to consult it regularly during the course.

SCHEDULE

Please note: in the first week, class meets Tuesday through Friday.

Tue., Jan. 5 Introduction to the Study of Decision Making
Read before class: Bazerman & Moore ch. 1&2.

Wed., Jan. 6 Heuristics and Biases
Read before class: Bazerman & Moore ch. 3.

Thu., Jan. 6 Problem Solving and Bounded Awareness
Read before class: Bazerman & Moore ch. 4.

Fri., Jan. 8 Decision Framing and the Instability of Judgments
Read before class: Bazerman & Moore ch. 5.

Mon., Jan. 11 Emotional and Motivational Influences; Commitment
Read before class: Bazerman & Moore ch. 6 & 7.

Tue., Jan. 12 Fairness and Ethics in Decision Making
Read before class: Bazerman & Moore ch. 8.

Wed., Jan. 13 MIDTERM EXAM (75 minutes, in class)

Thu., Jan. 14 Negotiation
Read before class: Bazerman & Moore ch. 10.

Tue., Jan. 19 Negotiation
SUPPLEMENTAL BIBLIOGRAPHY

The literature on judgment and decision making in managerial and other contexts is vast. Below is a highly selective list of a few books that give good general overviews of the subject. Most of them contain extensive bibliographies referring you to articles and books that can take you deeper into particular subjects that interest you. Please note that none of these works is assigned for this course. They are just references for optional future reading.

ACADEMIC VOLUMES


FOR MORE POPULAR AUDIENCES


surprisingly obvious features of situations.


Daniel Kahneman, *Thinking, Fast and Slow* (2011). By the pioneer of the heuristics-and-biases research, probably the most influential living psychologist.

Richard Thaler & Cass Sunstein, *Nudge* (rev. ed. 2009). Research, from the perspective of behavioral economics, on how we make bad choices and how to improve them, with many applications to personal decision making and public policy.