|  |
| --- |
| **IBM 525 - Cognition and Resilience in Decision Making** |
| **Course Code**  | **Course Name** | **Semester** |
| IBM525 | Cognition and Resilience in Decision Making | Fall [x]  Spring [ ]  Summer [ ]  |
| **Hours** | **Credit** | **ECTS** |
| **Theory** | **Practice** | **Lab** | 3 | 7.5 |
|  |  | - |

|  |
| --- |
| **Course Details** |
| **Department** | Institute of Social Sciences |
| **Course Language** | English |
| **Course Level** | Undergraduate [ ]  Graduate [x]  |
| **Mode of Delivery** | Face to Face [x]  Online [x]  Hybrid [ ]  |
| **Course Type** | Compulsory [ ]  Elective [x]  |
| **Course Objectives** | Behavioral decision research provides many important insights into managerial behavior. From negotiation to investment decisions, the course is designed to examine judgment in a variety of managerial contexts through behavior decision research in the organizational realm. The course is intended to give students the opportunity to understand their own decision-making tendencies, learn strategies for overcoming cognitive biases, and build resilience to become better decision makers. |
| **Course Content** |  Textbook, lecture notes, reading materials, multimedia elements, interactive activities, and assessment tools |
| **Course Method/****Techniques** | Lecture [x]  Question & Answer [x]  Presentation [x]  Discussion [x]  |
| **Prerequisites/****Corequisites** | NA |
| **Work Placement(s)** | NA |

|  |
| --- |
| **Textbook/References/Materials** |
| * Textbook: Bazerman, M. H., & Moore, D. A. (2012). Judgment in managerial decision making. (8th edition). John Wiley & Sons.
* Students will need to purchase the assigned case readings that are listed in the course outline. The cases and supplementary readings can be purchased online at:

<https://www.iveypublishing.ca/s/ivey-coursepack/a1R5c00000FverCEAR>**Supplementary References:** * *Supplementary reading 1: Note on Human Behavior: Situation versus Character (Ivey, # 316078) –* **Week 2**
* Supplementary reading 2: Bounded Awareness: What You Fail to See Can Hurt You (Ivey, # ROT044) – **Week 5**
* Supplementary reading 3: Rational Choice and Managerial Decision-Making (Ivey, # 614048) – **Week 5**
* Supplementary reading 4:  A Note on Ethical Decision-Making (Ivey, # UVAE0242) – **Week 10**
 |

|  |
| --- |
| **Course Category** |
| Mathematics and Basic Sciences |[ ]   | Education | [ ]  |
| Engineering |[ ]   | Science |[ ]
| Engineering Design |[ ]   | Health |[ ]
| Social Sciences |[x]   | Profession |[ ]

|  |
| --- |
| **Weekly Topics and Related Preparation Studies**  |
| **Weeks**  | **Topics**  | **Preparation Studies**  |
| **1**  | Introductions  | * Intro to each other and to the course
* What is the course structure?
* What are the course resources; and why is effective decision-making relevant to management, in general, and future studies?
* Term projects (Final group project- case analysis of an assigned company’s recent decision).

  |
| **2**  | Introduction to Managerial Decision Making   | * What types of cognitive systems do we use while making decisions?
* What kind of strategies managers use to make effective decisions?
* How heuristics influence our decision making?

 *Case A: Accounting Exam Irregularities in an MBA Program (Ivey: # 9B19C005) – led by Abdurrahim Hocagil*   |
| **3**  | Overconfidence   | * The Mother of All Biases
* Different forms of Overconfidence and their influence on decisions.
* Are positive illusions beneficial?

 *Case B: Paramount Pictures: The Transformers Dilemma (Ivey, # 9B12A024) – led by Team 1*   |
| **4**  | Common Biases   | * What are the most common biases?
* How common biases influence individual and managerial decision making?

 *Case C: Global Metal Company: The Challenges of Scaling Up in the Unorganized Sector (Ivey, # 9B19M025 – led by Team 2*   |
| **5**  | Bounded Awareness   | * What is a bounded awareness?
* Types of bounded awareness?
* How can we overcome the influence of bounded awareness?

 *Case D: Carlos Ghosn: The Rise and Fall of an Automobile Legend (A) (Ivey, # SMU818)*  *Case D+: Carlos Ghosn: The Rise and Fall of an Automobile Legend (B) (Ivey, # SMU819)- led by Team 3*    |
| **6**  | Framing and the Reversal of Preferences  | * What is the role of framing on managerial decision-making?
* Which factors influence our perception of framing a problem and making decisions to solve it?

 *Case E: ibibo: Grow Independently or Sell? (Ivey, # 9B17M113) – led by Team 4*   |
| **7**  |   |   |
| **8**  | **Midterm Exam**  |   |
| **9**  | Motivational and Emotional Influences on Decision Making   | * How do human emotions intervene decision making in the business context?
* How personal motivations influence managerial decision- making?
* What is want-should conflict?
* What strategies can we use to reduce the emotional and motivational factors that influence our decision making?

 *Case F: Hyundai Securities: International Expansion* *(Ivey, # 9B14M052) – led by Team 1*   |
| **10**  | The escalation of Commitment   | * What is escalation of commitment?
* Which cognitive factors cause us to commit our initial decisions?

 *Case G:**Fedore Cooperative: Effective Conflict Resolution and Decision Making (Ivey, # 9B17C026) – led by Team 2*   |
| **11**  | Fairness and Ethics in Decision Making    | * How does ethical values and the concept of fairness influence managerial decision-making?
* What is bounded ethicality and how it might change our perception of fair decision-making?

 *Case H: Adapting to Climate Change: The Case of Suncor Energy and the Alberta Oil Sands (Ivey, # 9B08M073) – led by Team 3*   |
| **12**  | Improving Decision Making In Negoatiations   | * What is the nature of negotiation?
* What factors influence managerial decision making while we are in a negotiation?
* How game theory plays a role in managerial decision-making while in a negotiation?
* How can we make rational decisions while we are in a negotiation?

 *Case J: Mobileye 2021: Robotaxi and/or Consumer AV? (Ivey, # 721481) – led by Team 4*   |
| **13**  | Improving Decision Making  | * What is the relationship between resilience and decision making?
* What are the strategies to make better decisions?
* How can we implement each strategy into our decision-making processes?
 |
| **14**  | Presentations  |  Final group project presentations   |
| **15**  |   |   |
| **16**  | **Final Exam**  |   |

|  |
| --- |
| **Assessment Methods and Criteria** |
| **In-term studies** | **Quantity** | **Percentage** |
| Attendance - Partıcıpation | 1 | 15 |
| Lab |  |  |
| Practice |  |  |
| Fieldwork |  |  |
| Course-specific internship |  |  |
| Quiz/Studio/Criticize |  |  |
| Homework |  |  |
| Presentation / Seminar – Team Lead Weekly | 1 | 30 |
| Project - (Case Study and Presentation) | 1 | 15 |
| Report | 1 | 15 |
| Seminar |  |  |
| Midterm Exam | 1 | 15 |
| Final Exam |  |  |
| **Total** | **100%** |
| **Contribution of Midterm Studies to Success Grade** |  | 50 |
| **Contribution of End of Semester Studies to Success Grade** |  | 50 |
| **Total** | **100%** |

|  |
| --- |
| **ECTS Allocated Based on Student Workload** |
| **Activities** | **Quantity** | **Duration (Hrs)** | **Total Workload** |
| Course Hours | 16 | 3 | 48 |
| Lab |  |  |  |
| Practice |  |  |  |
| Fieldwork |  |  |  |
| Course-specific Work Placement |  |  |  |
| Out-of-class study time | 16 | 5 | 80 |
| Quiz/Studio/Criticize | 8 | 1 | 8 |
| Homework |  |  |  |
| Presentation / Seminar | 3 | 3 | 9 |
| Project | 1 | 10 | 10 |
| Report | 1 | 10 | 10 |
| Midterm Exam and Preparation for Midterm | 1 | 15 | 15 |
| Final Exam and Preparation for Final Exam |  |  |  |
|  **Total Workload** | 187 |
|  **Total Workload / 25** | 7.48 |
|  **ECTS Credit** | **7.5** |

|  |
| --- |
| **Course Learning Outcomes** |
| **No** | **Outcome** |
| **L1** | Acquire the foundations of behavioral decision-making research by understanding three major levels of analysis influencing managerial decision-making processes in an organizational context: organizational, group and individual. |
| **L2** |  Understand the basic concepts of individuals’ cognitive biases and their influence on managerial decision-making processes |
| **L3** | Analyze their own cognitive biases and these biases’ influence on their own decision-making processes |
| **L4** | Understand and interpret others’ biases that will improve their own decision-making processes  |
| **L5** | Apply decision-making strategies to overcome cognitive biases’ influence on their decision-making processes   |

|  |
| --- |
| **Contribution of Course Learning Outcomes to Program Competencies/Outcomes** |
| *Contribution Level: 1: Very Slight, 2: Slight, 3: Moderate, 4: Significant, 5: Very Significant* |
|  | **P1** | **P2** | **P3** | **P4** | **P5** | **P6** | **P7** | **P8** | **P9** | **P10** | **P11** | **P12** | **P13** | **P14** | **P15** | **Total** |
| **L1** | 5 | 5 | 5 | 5 | 5 | 5 | 1 | 5 | 5 | 5 | 5 | 5 | 1 | 5 | 5 | 67 |
| **L2** | 5 | 5 | 5 | 5 | 5 | 5 | 1 | 5 | 5 | 5 | 5 | 5 | 1 | 5 | 5 | 67 |
| **L3** | 5 | 5 | 5 | 5 | 5 | 5 | 1 | 5 | 5 | 5 | 5 | 5 | 1 | 5 | 5 | 67 |
| **L4** | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 1 | 5 | 5 | 71 |
| **L5** | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 75 |
| **Total** | 347 |