

### COURSE INFORMATION

Course title:	Decision Making for Managers		
Course code:	BA 563	Credits:	1.5
Session, term, period:	2021W1, Period 5	Class location:	HA 437
Section(s):	001	Class times:	M/W 4:00-6:00
Course duration:	Nov 1 2021 – Dec 1 2021	Pre-requisites:	n/a
Division:	Interdisciplinary	Co-requisites:	n/a
Program:	MBA		

### INSTRUCTOR INFORMATION

Instructor:	Dale Griffin, PhD		
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### COURSE DESCRIPTION

The MBA is essentially a program about making good analytical decisions in business and organizational settings. This course is designed to make you a better decision maker by helping you understand your weaknesses and build on your strengths in decision-making. This is an integrative course that links material from Managerial Economics, Operations, Statistics, Marketing, Psychology, Finance, and Strategy.

Decision makers need to be able to think effectively about the inputs for a decision analysis, whether to trust the analysis, and how to use the outputs to guide actions by themselves and their organizations. And, most important of all, decision makers need to know how to make effective, unaided intuitive decisions, and to recognize the limits on their intuitive skills. The course will move back and forth between models from strategy, operations and economics of how we **should** make decisions and psychological, descriptive models of how people **actually** make decisions to help you understand and improve your native decision-making abilities—and help you avoid making BAD decisions.

### COURSE FORMAT

BA 563 (2021) will be offered as an in-person class, barring public health restrictions. Most classes will be a mix of lecture and discussion, with some classes being devoted to interactive case discussions. Discussions will focus on the slides and examples provided in class, but will also include readings and contemporary events.

### COURSE GOALS AND LEARNING OBJECTIVES

To introduce decision frameworks to help structure complex and difficult decision problems in management.

To explain common decision traps and failures of reasoning.

To understand and apply organizational processes to overcome individual decision failures.

To link ethical behaviour with good decision-making.

At the end of the course, students will be able to ...

- Distinguish between intuitive and analytical approaches to decision-making and understand the benefits and trade-offs of each.
- Understand and apply the values-based decision-making approach.
- Apply formal reasoning and decision frameworks to help structure and clarify difficult and incomplete decision problems.
- Identify common decision traps and failures of logical reasoning with business impact.
- Identify sources of risk and structure risk management practices that reduce catastrophic outcomes.
- Design and apply organizational processes to reduce the impact of individual decision failures.

and

- Students will be skilled in critical thinking.
- Students will be able to integrate knowledge from relevant business disciplines when making decisions.
- Students will be aware of ethical implications of business decisions and activities.

## ASSESSMENTS

### Summary

<u>Component</u>	<u>Weight</u>
<i>Written Assignments</i>	<i>50%</i>
<i>Participation</i>	<i>20%</i>
<i>Group Presentation</i>	<i>30%</i>

### Details of Assessments

A student's grade will be based on performance on 3 written assignments (10% for personal Decision Audit, 25% for the analysis of a Decision Fiasco and 15% for final reflection paper), participation in class (20%), and a final group live case presentation (30%).

It is very important that students take an active role in classroom activities and discussions and come fully prepared. The class participation grade will reflect the quality of the student's involvement in the class activities and discussions. Perfect attendance is assumed. Participation can only be registered through comments and queries communicated outside the classroom setting.

## LEARNING MATERIALS

### Textbook

- **Kahneman, D. (2011). *Thinking, fast and slow*.** New York: Farrar, Strauss, & Giroux. (paperback, denoted as "K" in the reading list below). This is more of a "popular" or "easy-reading" summary of the field rather than a dense and scholarly textbook. Widely available in bookstores or online. I expect that at least half the class has already read it—this is already a classic. Also available as an ebook.. **Required reading.** Even if you have read it before, please re-read the specific passages connected with the course. If you want an additional reading, I recommend

2017 Economics Nobel winner Richard Thaler's recent book "Misbehaving" as well as those listed below.

### *Readings*

- We will use a handful of Harvard Business Review readings that will be accessed online through the UBC library site and through Canvas ("HBR") as well as a few "briefing papers" from the big consulting companies (freely available online). **Every** reading should be read **before** the class for which it is assigned.
- A small case package of 3 cases, available online through the Ivey case site (see below for instructions for access).

Estimated cost of required materials: \$20 - \$30 Canadian.

Additional materials recommended but not required:

A list of suggested additional books and articles will be provided on Canvas.

### **COURSE-SPECIFIC POLICIES AND RESOURCES**

#### *Missed or late assignments, and regrading of assessments*

Assignments must be handed in on time except in the case of truly urgent circumstances, which should be communicated to the instructor as soon as possible. Late assignments will be penalized 15% per day.

#### *Academic Concessions*

If extenuating circumstances arise, please contact the RHL Graduate School program office as early as reasonably possible, and submit an [Academic Concession Request & Declaration Form](#). If an academic concession is granted during the course, the student will be provided options by RHL, or by the instructor in consultation with RHL, per [UBC's policy on Academic Concession](#).

#### *Other Course Policies and Resources*

- There is assessed work due in the second week of class. Those joining the course after this time will need to make arrangements with the instructor to arrange a new due date.

### **POLICIES APPLICABLE TO COURSES IN THE ROBERT H. LEE GRADUATE SCHOOL**

#### *Attendance*

Excepting extenuating circumstances, students are expected to attend 100% of their scheduled class hours. Absent students limit their own academic potential, and that of their classmates, and cause unnecessary disruption to the learning environment. Students missing more than 20% of the total scheduled class hours for a course (including classes held during the add/drop period) without having received an academic concession will be withdrawn from that course. Withdrawals, depending on timing, could result in a "W" or an "F" standing on the transcript.

#### *COVID-19 Policies for Attendance & Academic Concessions:*

If a student feels unwell, they should stay home and send a courtesy email to each impacted instructor and cc their program manager. The student should also submit an [Academic Concession Request & Declaration Form](#).

If a student suspects possible COVID-19 infection, they should use the BC Ministry of Health's [self-assessment tool](#), to help determine whether further assessment or testing for COVID-19 is recommended.

If a student is required to self-isolate (e.g., while waiting for test results), they should follow the steps above (stay home, email instructor(s) and program manager, submit an [Academic Concession Request & Declaration Form](#), and follow BC Health Guidance.

Students who are required to quarantine, should get in touch with their Program Manager to discuss the possibility of academic concessions for each impacted course. The Program Manager will work closely with your instructors to explore options for you to make up the missed learning.

#### *COVID-19 Safety in the Classroom:*

**Masks:** Masks are **required** for all indoor classes, as per the BC Public Health Officer orders. For our in-person meetings in this class, it is important that all of us feel as comfortable as possible engaging in class activities while sharing an indoor space. For the purposes of this order, the term "masks" refers to medical and non-medical masks that cover our noses and mouths. Masks are a primary tool to make it harder for COVID-19 to find a new host. You will need to wear a medical or non-medical mask for the duration of our class meetings, for your own protection, and the safety and comfort of everyone else in the class. You may be asked to remove your mask briefly for an ID check for an exam, but otherwise, your mask should cover your nose and mouth. Please do not eat in class. If you need to drink water/coffee/tea/etc, please keep your mask on between sips. Students who need special accommodation are asked to discuss this with the program office.

**Seating in class:** To reduce the risk of COVID-19 transmission, please sit in a consistent area of the classroom each day. This will minimize your contacts and will still allow for the pedagogical methods planned for this class to help your learning.

Visit the following website for the most recent updates regarding COVID-19 protocol on campus:  
<https://students.ubc.ca/campus-life/returning-to-campus>

#### *Punctuality*

Students are expected to arrive for classes and activities on time and fully prepared to engage. Late arrivals may be refused entry at the discretion of the instructor or activity lead. Students arriving later than halfway through a scheduled class will be treated as absent for that class.

#### *Electronic Devices*

Devices such as laptops, tablets, and cell phones are not permitted to be used in class unless directed by the instructor for in-class activities. Students who do not follow the School's policy in this regard may be required to leave the room for the remainder of the class, so that they do not distract others. Research shows that students' use of laptops in class has negative implications for the learning environment, including reducing their own grades and the grades of those sitting around them.

#### *Citation Style*

Please use the American Psychological Association (APA) reference style to cite your sources.

Details of the above policies and other RHL Policies are available at:  
<http://www.calendar.ubc.ca/vancouver/index.cfm?tree=12,199,506,1625>

### UNIVERSITY POLICIES AND RESOURCES

UBC provides resources to support student learning and to maintain healthy lifestyles but recognizes that sometimes crises arise and so there are additional resources to access including those for survivors of sexual violence. UBC values respect for the person and ideas of all members of the academic community. Harassment and discrimination are not tolerated nor is suppression of academic freedom. UBC provides appropriate accommodation for students with disabilities and for religious observances. UBC values academic honesty and students are expected to acknowledge the ideas generated by others and to uphold the highest academic standards in all of their actions. Details of the policies and how to access support are available on the UBC Senate website at <https://senate.ubc.ca/policies-resources-support-student-success>.

#### *Respect for Equity, Diversity, and Inclusion*

The UBC Sauder School of Business strives to promote an intellectual community that is enhanced by diversity along various dimensions including status as a First Nation, Metis, Inuit, or Indigenous person, race, ethnicity, gender identity, sexual orientation, religion, political beliefs, social class, and/or disability. It is critical that students from diverse backgrounds and perspectives be valued in and well-served by their courses. Furthermore, the diversity that students bring to the classroom should be viewed as a resource, benefit, and source of strength for your learning experience. It is expected that all students and members of our community conduct themselves with empathy and respect for others.

#### *Academic Integrity*

The academic enterprise is founded on honesty, civility, and integrity. As members of this enterprise, all students are expected to know, understand, and follow the codes of conduct regarding academic integrity. At the most basic level, this means submitting only original work done by you and acknowledging all sources of information or ideas and attributing them to others as required. This also means you should not cheat, copy, or mislead others about what is your work. Violations of academic integrity (i.e., misconduct) lead to the breakdown of the academic enterprise, and therefore serious consequences arise and harsh sanctions are imposed. For example, incidences of plagiarism or cheating may result in a mark of zero on the assignment or exam and more serious consequences may apply if the matter is referred to the President's Advisory Committee on Student Discipline. Careful records are kept in order to monitor and prevent recurrences.

### COPYRIGHT

All materials of this course (course handouts, lecture slides, assessments, course readings, etc.) are the intellectual property of the instructor or licensed to be used in this course by the copyright owner. Redistribution of these materials by any means without permission of the copyright holder(s) constitutes a breach of copyright and may lead to academic discipline and could be subject to legal action. Any lecture recordings are for the sole use of the instructor and students enrolled in the class. In no case may the lecture recording or part of the recording be used by students for any other purpose, either personal or commercial. Further, audio or video recording of classes are not permitted without the prior consent of the instructor. Students may not share class Zoom links or invite others who are not registered to view sessions.

## ACKNOWLEDGEMENT

UBC's Point Grey Campus is located on the traditional, ancestral, and unceded territory of the x<sup>w</sup>məθk<sup>w</sup>əyəm (Musqueam) people, who for millennia have passed on their culture, history, and traditions from one generation to the next on this site.

## TOPICS & READING LIST

**"K" refers to the Kahneman text "Thinking, Fast and Slow"**

**Review Readings from Harvard Business Review available from the Canvas Library tab—read 1 and 2 before first class:**

*HBR1: What you don't know about making decisions (Garvin & Roberto, 2001)*

*HBR2: The Hidden Traps in Decision Making (Hammond, Keeney, & Raiffa, 2006)*

*HBR3: Building your company's vision. (James C. Collins, Jerry I. Porras. Sept 01, 1996.)*

*HBR4: How to Make Values Count in Everyday Decisions. (Joel E. Urbany; Thomas J. Reynolds; Joan M. Phillips. July 1, 2008.)*

*HBR5: HBR: Managing Risks: A New Framework. (Robert S. Kaplan; Anette Mikes, Jun 01, 2012.)*

*HBR6: Deals without delusions (Lovallo, Viquerie, Uhlaner, Horn, 2007)*

*HBR7: Decisions without blinders (Bazerman & Chugh, 2006)*

Readings from McKinsey (subject to change by first class)

M1

<https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/the-case-for-behavioral-strategy#>

M2

<https://www.mckinsey.com/~media/McKinsey/Business%20Functions/Organization/Our%20Insights/A%20case%20study%20in%20combating%20bias/A-case-study-in-combating-bias.pdf>

M3

<https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/strategic-decisions-when-can-you-trust-your-gut>

M4

<https://www.mckinsey.com/~media/McKinsey/Business%20Functions/Strategy%20and%20Corporate%20Finance/Our%20Insights/Better%20forecasting%20for%20large%20capital%20projects/Better%20for%20forecasting%20for%20large%20capital%20projects.pdf>

M5

<https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/overcoming-a-bias-against-risk>

M6

<https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/bias-busters-premortems-being-smart-at-the-start>

**CLASS SCHEDULE**

(Subject to change with class consultation)

Class	Synchronous Or Asynchronous	Date	Topic	Readings or Activities	Assessments due
	Asynchronous	Pre-course	Your mind, your decisions	HBR1, HBR2, K1, (K2-7 optional)	
1	Synchronous	Mon, Nov 1	Strategic Decision Making	K8-K9, HBR3, M1	
2	Synchronous	Wed, Nov 3	Values-based Decisions	HBR4	
3	Synchronous	Mon, Nov 8	Risk and Uncertainty	K17-K18, HBR5, M2	Decision Audit assignment
4	Synchronous	Wed, Nov 10	Judgment biases	K10-K12, K14-K16, K20-K22, M3	
5	Synchronous	Mon, Nov 15	Structured Decisions and Ethical Tradeoffs	Caprica Energy case	Case discussion
6	Synchronous	Wed, Nov 17	Integrative Decision Tools	M4	
7	Synchronous	Mon, Nov 22	Behavioral Economics and “Nudge”	K26-K28, K31, HBR6, M5	Decision Fiasco assignment
8	Synchronous	Wed, Nov 24	Behavioral Finance	K32, K34, K Conclusions 1-3 Behavioral Finance Case	Case discussion
9	Synchronous	Mon, Nov 29	Organizational Decision-Making Traps	HBR7, M6 Mount Everest Case	Case discussion
10	Synchronous	Wed, Dec 1	Course Review and Prep for Final Presentations		

Purchasing Case materials:

Go to the Ivey Publishing website and login (or register) using:

<https://www.iveypublishing.ca/s/ivey-coursepack/a1R5c0000F1j3OEAR/decision-making-for-managers>

After identifying the correct coursepack, please add it to your shopping cart and pay for the download.

If you have difficulties, please notify the instructor.