

MANA7A49: Managerial Decision Making Online (Fall 2018)

Instructor: D. Tony Kong, Ph.D. Email: dkong@bauer.uh.edu Course website: Blackboard (<u>http://www.uh.edu/blackboard/</u>)

COURSE OBJECTIVES

The objectives of this online course are to help you (a) understand why we often make bad decisions and (b) learn how to make better decisions. There are many small and critical decisions for each of us to make. However, many of us make bad decisions and regret making them. Decision making skills are one of the most valued in the business world. It is important for you to understand human decision processes. By better understanding how decisions are made, we are more likely to overcome limitations with awareness and improve the quality and ethicality of our decisions. This course focuses on the behavioral approach to managerial decision making, which are largely grounded in psychology, behavioral economics, and neuroscience. Your learning will be largely experiential. You will gain first-hand experience via exercises/simulations as well as second-hand experience via case analyses and discussions.

COURSE MATERIALS

- Readings listed in the syllabus
- Other materials (e.g., exercises/simulations, cases, etc.)



RULES FOR GRADING

The quality of your written assignments, presentation, class participation, etc. is a matter left to my (course instructor's) <u>subjective judgment</u>. If you have a question about my feedback, please ask. However, my decision on your letter grade is <u>FINAL</u>. See below for the grading scale.

Letter Grade	Final Score
А	93-100
A-	90-92.9
B+	88-89.9
В	83-87.9
В-	80-82.9
C+	78-79.9
С	73-77.9
C-	70-72.9
D+	68-69.9
D	63-67.9
D-	60-62.9
F	<60

If there are unusual or idiosyncratic circumstances that might prevent you from performing well in this course, such as chronic or acute illness, sudden death in your family, mental disabilities, and so forth, please inform me at the beginning of the semester, or as soon as the circumstances occur. In terms of disabilities, reasonable accommodations will be made for students with verifiable disabilities. You must communicate any problem to me as soon as possible. I will do everything in my power to tackle the problem fairly and quickly. However, retroactive excuses are <u>not</u> acceptable to me. You are <u>not</u> allowed to bring up ameliorating circumstances to justify your poor performance at the end of the semester (particularly after knowing your course/letter grade). There are additional resources that can support you in your efforts to meet course requirements

(http://www.bauer.uh.edu/undergraduate/advising/resources.php).



EVALUATION FOR COURSE GRADE

You are expected to submit your assignments punctually and responsibly. The grading policies described below are intended to symbolize the activities that help you achieve the learning goals.

- Class participation (30%)
- Reading summary (30%)
- Individual paper (40%)

1. Class Participation (30%)

Since this is an online course, we will not meet in a classroom on campus. We will use Blackboard (<u>http://www.uh.edu/blackboard/</u>) instead as the main platform for learning. All the component scores and the final grade will be posted in Blackboard. Therefore, it would be important for you to understand the Blackboard system (<u>http://www.uh.edu/blackboard/help</u>) and ensure that your e-mail address registered in Blackboard is correct.

We will use a mobile app (see Session 1 learning module for details) to engage in the class discussion for each session. Think of this as Twitter exclusively for this course. For each session, which starts on a Monday and ends on a Sunday, you will be graded on a 3-point scale:

- 0-you did not participate in the class discussion for the session
- 1-you somewhat participated in the class discussion for the session
- 2—you fully engaged in the class discussion for the session

In a typical week (except for Week 1), class participation will be evaluated based on your engagement in the class discussion <u>related to specific questions/issues related to the session</u> via the mobile app. The instructor will evaluate your engagement in terms of the <u>relevance</u>, <u>insightfulness</u>, and <u>elaboration</u> of what you say. Note that the quality of your contribution is <u>not</u> a perfect linear function of the frequency of your verbal communication.

You may (1) initiate a discussion or (2) contributing to an initiated discussion. Specific questions/issues for the class discussion during each week will be described in the slides for the week. Your contribution to the discussion should be <u>meaningful</u> and <u>respectful</u>. Disrespectful, offensive, or prejudicial language is prohibited. Those who use such language in a particular week will receive 0 for the session. Those who repeatedly (i.e., for two or more weeks) use such language will be barred from participating in any class discussion via the mobile app for the entire semester (thus no longer earning class participation points). Class discussion via the mobile app is intended to be interactive and engaging, and to help you have a strong (virtual) presence in class.



If you cannot participate in a specific session (during a specific week), please let the instructor know (<u>dkong@bauer.uh.edu</u>) ahead of time (i.e., before Monday of the week) and you will be exempted for the session. Otherwise, you will receive a zero participation score for the session.

When a specific session involves exercise(s) and/or simulation(s), which you will have to complete with others, your active participation in such exercise(s) and/or simulation(s) will also be considered part of your class participation for the session. Failure to do so will be penalized.

2. Reading Summary (30%)

<u>Before</u> each session (except for Session 1), you must submit a Word document with a summary of <u>all</u> the <u>required</u> readings for that session (about 50-100 words <u>for each reading</u>) to the corresponding folder in the Blackboard system. This assignment is intended to motivate you to get prepared for the class discussion and exercise(s)/simulation(s) during the week. Your reading summary for each session will be graded based on its overall quality (0 = fail, 1 = pass, 2 = good). You will be required to submit a total of six reading summary documents. The document for each session should be submitted <u>by 12:01am on Monday of the week</u>. Failure to submit the summary document <u>on time</u> will automatically lead to a zero score for the session.

3. Individual Paper (40%)

You will write a max. 15-page (including your references, footnotes or endnotes, appendices, etc.), double-spaced paper (Times New Roman, font size 12, Word document only) analyzing a specific <u>real-life</u> case utilizing the knowledge you have learned from this course. A cover page is NOT necessary. You may use any citation style (e.g., American Psychological Association (APA) style), but once you choose one, stick to it throughout the entire paper.

You may incorporate anything covered in the course into your analysis. However, you must do systematic research and provide <u>focused</u> and <u>in-depth analysis</u> (not just narratives or <u>descriptions</u>). To produce a good research paper, you need to provide good logic/argument and find empirical data, legal evidence, news coverage, interviews, site visits, etc. to support your argument. A good example would be Magasin and Gehlen's (1999) *Sloan Management Review* article included for Session 3.

Your paper will be judged based on four equally important criteria: critical analysis (25%), comprehension (25%), clarity (25%), and professionalism (25%).

- <u>Critical analysis</u>: Demonstrate your thoughtful, sophisticated, and insightful analysis, as opposed to superficial analysis with no nuance
- <u>Comprehension</u>: Demonstrate your comprehension of the course materials and class discussions



- <u>Clarity</u>: Demonstrate your clarity, coherence, and organization of your explanations with specific examples or data supporting your argument
- <u>Professionalism</u>: Demonstrate your professional writing skills, including good grammar and correct spellings, along with appropriate citations in the main text and the reference list. Failure to include appropriate citations may lead to plagiarism. Very poor or sloppy writing will automatically receive a failing score on this criterion.

Plagiarism from online sources, peers' work, your previous work, and so forth is strictly prohibited. If you borrow ideas from others or yourself (yourselves), provide appropriate citations. Academic integrity is a serious matter. I take this matter seriously and expect that you do too. I encourage you to refer to related university policies or ask me if you have questions about academic integrity in this course. If you are suspected for plagiarism, you will be given a chance for an explanation.

Your individual paper is due by <u>noon on October 12, 2018</u>. You should submit it to the corresponding folder in the Blackboard system. <u>Your file should be named as</u> "LastName_FirstName."



COURSE SCHEDULE

Session	Date	Topic	Assignment Due
1	8/20-8/26	Introduction	None
2	8/27-9/2	Heuristics and biases	Reading Summary for Session 2
			(due 12:01am, 8/27)
3	9/3-9/9	Making fair and ethical decisions	Reading Summary for Session 3
			(due 12:01am, 9/3)
4	9/10-9/16	Cultivating an ethical organization	Reading Summary for Session 4
			(due 12:01am, 9/10)
5	9/17-9/23	Resolving conflict with better decisions	Reading Summary for Session 5
			(due 12:01am, 9/17)
6	9/24-9/30	Influencing others' decisions	Reading Summary for Session 6
			(due 12:01am, 9/24)
7	10/1-10/7	Making better group decisions	Reading Summary for Session 7
			(due 12:01am, 10/1)
	10/8-10/12	No session, finish your individual paper	Individual Paper
			(due noon, 10/12)



COURSE READINGS

(Note: Available on Course Reserve: https://reserves.lib.uh.edu/ares/ares.dll?Action=99)

Session 1: Introduction

- Bazerman, M. H., & Moore, D. A. (2009). *Judgment in managerial decision making* (7th ed.). Chapter 1: Introduction to managerial decision making.
- Morse, G. (2006). Decisions and desire. Harvard Business Review, 42, 44-51.
- Certo, S. T., Connelly, B. L., & Tihanyi, L. (2008). Managers and their not-so rational decisions. *Business Horizons*, *51*, 113-119.

Session 2: Heuristics and Biases

- Hammond, J. S., Keeney, R. L., & Raiffa, H. (1998). The hidden traps in decision making. *Harvard Business Review*, 76, 47-58.
- Cross, R. L., & Brodt, S. E. (2001). How assumptions of consensus undermine decision making. *MIT Sloan Management Review*, 42, 86-94.
- Soll, J. B., Milkman, K. L., & Payne, J. W. (2015). Outsmart your own biases. *Harvard Business Review*, *93*, 65-72.

Session 3: Making Fair and Ethical Decisions

- Messick, D. M., & Bazerman, M. H. (1996). Ethical leadership and the psychology of decision making. *MIT Sloan Management Review*, *37*, 9-22.
- Magasin, M., & Gehlen, F. L. (1999). Unwise decisions and unanticipated consequences. *MIT Sloan Management Review*, 41, 47-60.
- Ayal, S., Gino, F., Barkan, R., & Ariely, D. (2015). Three principles to REVISE people's unethical behavior. *Perspectives on Psychological Science*, *10*, 738-741.

Session 4: Cultivating an Ethical Organization

- Velasquez, M., Moberg, D. J., & Cavanagh, G. F. (1983). Organizational statesmanship and dirty politics: Ethical guidelines for the organizational politician. *Organizational Dynamics*, *12*, 65-80.
- Palmer, D. A. (2013). The new perspective on organizational wrongdoing. *California Management Review*, *56*, 5-23.
- Kong, D. T., & Gelb, B. (2018). Curbing, not rewarding, jerk behaviors on the job. *Rutgers Business Review*, *3*, 40-52.

Session 5: Resolving Conflict with Better Decisions

- Bazerman, M. H., & Moore, D. A. (2009). *Judgment in managerial decision making* (7th ed.). Chapter 10: Negotiator cognition.
- Lytle, A. L., Brett, J. M., & Shapiro, D. L. (1999). The strategic use of interests, rights, and power to resolve disputes. *Negotiation Journal*, *15*, 31-52.



• Elangovan, A. R. (2004). The manager as the third party: Deciding how to intervene in employee disputes. In R. J. Lewicki, D. M. Saunders, J. W. Minton, & B. Barry (Eds.), *Negotiation: Readings, exercises, and cases* (4th ed., pp. 467-478). Boston, MA: McGraw-Hill.

Session 6: Influencing Others' Decisions

- Cialdini, R. B. (2001). Harnessing the science of persuasion. *Harvard Business Review*, 79, 72-79.
- Cohen, A. R., & Bradford, D. L. (1989). Influence without authority: The use of alliances, reciprocity, and exchange to accomplish work. *Organizational Dynamics*, *17*, 5-17.
- Yukl, G. (2009). Use power effectively to influence people. In E. A. Locke (Ed.), *Handbook of principles of organizational behavior* (Chapter 19, pp. 349-365).

Session 7: Making Better Group Decisions

- Kets de Vries, M. F. R. (1999). High performance teams: Lessons from the pygmies. *Organizational Dynamics*, *27*, 66-77.
- Edmondson, A. C., & Smith, D. M. (2006). Too hot to handle? How to manage relationship conflict. *California Management Review*, 49, 6-31.
- Eisenhardt, K. M., Kahwajy, J. L., & Bourgeois, L. J. III. (1997). How management teams can have a good fight. *Harvard Business Review*, *75*, 77-85.



IMPORTANT UNIVERSITY POLICIES

Student Conduct: Students are expected to conduct themselves in an ethical and professional manner. Students are expected to be familiar with standards of conduct deemed reasonable and appropriate by the university and college. Although not an exhaustive discussion of such standards, students are expected to be familiar with the University of Houston Student Handbook as a minimum. The Handbook can be found at: http://www.uh.edu/dos/hdbk/. Students should additionally read and adhere to the Bauer Code of Ethics and Professional Conduct, http://www.bauer.uh.edu/BCBE/BauerCode.htm.

Academic Honesty: The University of Houston Academic Honesty Policy (also contained in the Student Handbook) is strictly enforced by the C. T. Bauer College of Business. No violations of this policy will be tolerated in this course. Students are expected to be familiar with this policy.

Students with Disabilities: The C. T. Bauer College of Business would like to help students who have disabilities achieve their highest potential. In order to receive academic accommodations, students must register with the Center for Students with Disabilities (CSD) (PH: 713-743-5400), and present approved accommodation documentation to their instructors in a timely manner. The Center for Students with Disabilities provides a wide variety of academic support services to all currently-enrolled UH students who have any type of mental or physical disability of either a temporary or permanent nature.