



COURSE UNIT (MODULE) DESCRIPTION

Course unit (module) title	Code
Behavioural Economics of Decision-making	

Academic staff	Core academic unit(s)
Coordinating: asist. dr. Inga Žilionytė Other(s):	Faculty of Economics and Business Administration

Study cycle	Type of the course unit
Second	Compulsory

Mode of delivery	Semester or period when it is delivered	Language of execution
Mixed (auditory and remote)	Spring semester	English

Requisites	
Prerequisites:	Co-requisites (if relevant):

Number of ECTS credits allocated	Student's workload (total)	Contact hours	Individual work
5	130	32	98

Purpose of the course unit		
<p>The aim of the subject is for students to gain an understanding of the main aspects and applications of decision-making behaviour in the face of uncertainty in economics and politics; to be able to use methods used in this field that are useful for making strategic business decisions, made taking into account emerging economic issues and problems.</p>		
Learning outcomes of the course unit	Teaching and learning methods	Assessment methods
Understand how individuals and organisations make decisions (good and not so good!); will be able to identify the main assumptions and limitations of previous studies; evaluate alternatives to a managerial solution	Critical reading of the text, problematic teaching, lecture-discussion, problematic conversation, Demonstration	Homework (tests with open and closed questions), the final test
Will be able to apply methods to address the various challenges faced by decision-makers	Learning in action, learning to solve problems, critical reading of the text, arguments for and against	Homework (tests with open and closed questions), the final test
They will be able to collect the scientific information necessary to verify economic insights and select the appropriate bibliographic sources.	Critical reading of the text, problematic teaching, lecture-discussion, problematic conversation, Demonstration	Homework (tests with open and closed questions), the final test
Will be able to prepare and present a step-by-step oral presentation	Case studies, graphical visualisation techniques, participation in discussions, cross-discussions	Evaluation of the presentation of the case study
Develop communication skills to help you succeed in dynamic business environments and respond to changing conditions	Case studies, graphical visualisation techniques,	Evaluation of the presentation of the case study

	participation in discussions, cross-discussions	
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Content	Contact hours						Individual work: time and assignments		
	Lectures	Tutorials	Seminars	Workshops	Internship	Laboratory work	Contact hours, total	Individual work	Tasks for individual work
1. Introductory lecture. The goals and objectives of the subject and the abilities and benefits acquired by students are also discussed. Organisation and requirements for lectures and practical classes. Acquaintance with the subject	1						1	2	
2. Reasoning, impact and flair. Students will learn how decision-making depends on the emotional and impact components, which are often highly adaptive. Neuroeconomics: features of influence and emotions in decision-making.	3		2				5	6	Reading literature; identification, discussion, discussion of problems; and tests.
3. Social context and group decisions. Variables in the social and organisational context that limit the results of decisions.	3		3				6	24	Reading literature, case studies, discussions, and tests.
4. Conflicts and negotiations in organisations. The phenomenology and dynamics of collective decisions, how to avoid paralysing conflicts, and the results of suboptimal negotiations. Cultural variables of reasoning and conflict.	3		3				6	24	
5. Improving decisions in the field of public policy and services. How can the psychological influence on individual citizens be reduced to optimise the impact of laws, rules, and norms? Flair and beyond flair.	3		3				6	24	Reading literature; identification of problems; discussion; discussions; and tests.
6. Decision-making in international relations. Models of reasoning and decision-making can be applied to decisions on the international stage.	3		3				6	18	Reading literature, case studies, discussions, and tests.
Iš viso	16		16				32	98	

Assessment strategy	Weight %	Deadline	Assessment criteria
Homework (tests with open and closed questions)	45	During the semester	Work at home. Timely tests of home dabs with open and closed issues are evaluated. A 10-point scale is applied to the assessment. Tests with closed questions and tasks are assessed according to the volume of correctly performed tasks and questions answered, taking into account the weight assigned to them in the final grade of the test. Open-ended questions are evaluated according to the demonstrated level of knowledge and the completeness of the answers, which are assessed according to the assessment scale given in the final section of the test.
Case study presentations	15	During the semester	A 10-point scale is applied to assess case study presentations. The evaluation criteria are as follows: clear presentation of ideas, quality of speech (clarity, volume), quality of reasoning, quality of conclusions, eye contact with the audience, quality of visually presented material, question management (quality of answer to questions), and time management (whether the time allotted for the presentation is properly used).
Final test	40		The final test consists of 20-30 open and closed questions (optionally, by the lecturer's decision). Rated as follows:

			<p>10 points or excellent knowledge and abilities: the work is done by all requirements;</p> <p>9 points or good knowledge and skills: the work is done according to all requirements, but minor and minor errors are possible;</p> <p>8-7 points or average knowledge and skills: the work does not fully meet the requirements, minor mistakes are possible;</p> <p>6 points or satisfactory knowledge and abilities: the work does not fully meet the requirements, the structure of the work is not very clear and logical, the necessary parts are missing, data analysis is weak, and superficial conclusions are made.</p> <p>5 points or weak knowledge and abilities: the work meets the minimum requirements.</p> <p>4-1 points or unsatisfactory knowledge and abilities: the work does not meet the minimum requirements.</p>
<p>The grade of the subject exam is satisfactory when the arithmetic weighted average of the final test (correct answers must be at least 50 percent) and all other assessments (homework and case study presentation) is at least 5 points.</p>			
<p>An externship exam is possible.</p>			

Author (-s)	Publishing year	Title	Issue, volume	Publisher
Mandatory literature				
Viale R.	2022	Nudging		The MIT Press
Daniel Kahneman	2013	Thinking, Fast and Slow		Farrar, Straus and Giroux
Thaler, R. and Sunstein, C.	2009	Nudge: Improving Decisions about Health, Wealth and Happiness		Penguin
Gigerenzer, G.	2007	Gut Feelings		Penguin
Plous, S.	1993	The Psychology of Judgment and Decision Making		McGraw-Hill
Further reading				
Viale, R.	2021	Routledge Handbook of Bounded Rationality	1st edition	Routledge (Taylor & Francis Group)
Samson, Alain	2021	Behavioral Economics Guide		Behavioral Science Solutions
Friedman, Jeffrey	2020	Power Without Knowledge		New York: Oxford University Press
Cowen, Tyler	2001	How Do Economists Think about Rationality? In Satisficing and Maximizing		Cambridge University Press