



Kuwait University
College of Business Administration
Master of Business Administration Program



Course Syllabus

MBA 509 – Managerial Decision Making

Dr. Mishari Alnahedh

Fall 2023

Lecture Time and Location

MBA 509: Wednesday | 5:00 PM – 7:50 PM | Room D1-1004

Contact Information

Location : Management & Marketing Department – 1st Floor – Office No. A1-1005

Email : alnahedh@ku.edu.kw (This is also my *MS Teams* Account ID)

Office Hours : by appointment

Course Description

“A good decision is based on knowledge and not on numbers” Plato

The aim of the course is, quite simply, to make you a better decision maker. To do so, MBA 509 takes a systematic approach to improving your decision making. We will use theories and tools of behavioral sciences (e.g. psychology) to answer the following questions: How do we make judgments about the world (e.g., how profitable a new entrepreneurial venture is likely to be)? How do we learn and update these judgments based on information? How do we make decisions based on these judgments? How do we deal with risk? How should we act in a certain situation, hypothetical or actual?

Topics covered in this course include: choice, judgment heuristics and biases, decision framing, prospect theory, mental accounting, regret, game theory, adverse selection, and other topics.

Course Learning Objectives (CLOs)

CLO1. Improve the quality of students’ decisions. Students will learn to be aware of and to avoid common inferential errors and systematic biases in their own decision-making. Describe the operations management functions

CLO2. Improve students’ ability to predict and influence the behavior of others (i.e. nudge). By understanding how other people decide and behave, students will be better able to motivate desired behavior in others.

CLO3. Improve the student’s ability to negotiate desired outcomes in work situations

CLO Mapping to MBA Skill Based Competency Goals*

CLO	Competency Goal			
	Decision Making	Leadership	Ethical Reasoning	Communication
1	R		R	
2	R			
3	A		A	A

Type of Emphases:

- **(I)ntroduce:** Students will be introduced to the skill and their grasp of it assessed in the course.
- **(A)pply:** The course will not cover the skill. Students should have a high-level grasp of the skill and are required to apply it in the course.
- **(R)einforce:** Students should have an introductory-level grasp of the skill and the course will improve their mastery to a higher level.

Required Material

Required reading materials will be provided through the course website.

- Daniel Kahneman. *Thinking, fast and slow*. Farrar, Straus & Giroux, 2013.
- Richard Thaler. *Misbehaving: The Making of Behavioral Economics*. W. W. Norton, 2016.
- Richard Thaler & Cass Sunstein. *Nudge: Improving Decisions about Health, Wealth, and Happiness*. Penguin, 2009.

Grading

The scores in this course will be the weighted average of the following items:

Weight	Description
20%	Class Participation and Case Quizzes (Collective learning, class discussion and class attendance)
30%	Midterm Exam
10%	Assignments
40%	Final Exam
100%	TOTAL

Grade Distribution

PERCENT	GRADE
95.00 – 100.00 %	A
90.00 – 94.99 %	A-
87.00 – 89.99 %	B+
83.00 – 86.99 %	B
80.00 – 82.99 %	B-
77.00 – 79.99 %	C+
73.00 – 76.99 %	C
≤ 72.99 %	F

* MBA Competency Goals can be found at the end of this document

Course Requirements and Policies

“Eighty percent of success is showing up.” –Woody Allen

Collective learning and class attendance will be determined based on roll calls conducted in class. In case method pedagogy, class attendance is critical to individual and collective learning. ***My expectation is that every student arrives on time and attends every class.*** Absenteeism and lateness to class count heavily against the participation grade since it adversely impacts the learning experience of the section as a whole. Anyone who cannot attend class should email me in advance if at all possible. **You are allowed ONLY ONE free absence for case discussion or guest speaker classes. If the case discussion spans two class sessions, missing both sessions counts as if you missed two case classes. If you miss more than TWO case discussion or guest speaker classes, you will receive ZERO points for participation.**

Every student in this course must abide by the Kuwait University Policy on Attendance (published in the Student Guide, Chapter 3, Section 13). A copy of the student guide can be accessed online on: http://www.kuniv.edu/cs/groups/ku/documents/ku_content/kuw055940.pdf

Class participation: Class discussion will be assessed on the basis of your contributions to class discussion and listening. Of course, the underlying condition for class participation is attendance. I expect you to attend all sessions. Prior to class, you should thoroughly read and prepare the case for that day, including answering the study questions. Please ensure that you have used the frameworks, tools, and ideas from the readings in your analysis as appropriate. In grading class participation, I look at both the quantity and quality of contribution. Participation should include, among other things, (1) presenting case facts, (2) defining the problem, (3) exploring different alternatives, (4) persuasive, thoughtful, integrated analysis supported by the data given in the case, (5) Implementation plan for proposed actions. "Air time" is not nearly as important as meaningful analysis and recommendations supported by data. With regards to quality, some of the criteria I shall apply include:

- Are the points made relevant to the discussion?
- Do the go beyond a mere recitation of case facts, and are implications clearly drawn?
- Is there evidence of analysis rather than expressions of opinions?
- Are the comments linked to those of others?
- Did the contribution further the class' understanding of the issues?
- Is the participant a good listener?
- Do comments raise interesting questions?
- In discussion, do the comments fit in the class context?
- Does the analysis make use of models and techniques from the readings or lectures?
- Are comments made in a respectful, professional, and constructive manner?

Students should not expect to receive full points for participation. Simply being present does not warrant full credit, nor does frequent participation that does not advance the learning of the class. I will use “cold calling” occasionally so you need to be prepared for each class. Cell phones must be turned off or set to the “silent” mode during classes. Laptops may not be used during case discussion segments and activities.

Exams: We will have TWO examinations, a midterm and a final exam, which will cover the course material to that point in the course, including lectures, discussions, and readings. Details about exam contents, time, and location will be discussed in the class. **Missed examinations may not be made up without prior permissions, no exceptions.**

Note: *The instructor reserves the right to change assignments and cases as necessary to facilitate an improved learning experience.*

Course Website

MBA 509 uses a course website to facilitate the administration of the course. You will be responsible for checking the course site regularly for class work and announcements. Please become familiar with the website (<http://www.mishari.com/cba>). I recommend creating a shortcut (link or favorite) in your browser that will take you to the course login page. At the course website, you can

- Check for announcements,
- Download slides and files related to MBA 509, and
- Review the grades and monitor your progress.

Cheating and Plagiarism: Every student in this course must abide by the Kuwait University Policy on Cheating and Plagiarism (published in the Student Guide, Chapter 3, Section 2). A copy of the student guide can be accessed online on:

http://www.kuniv.edu/cs/groups/ku/documents/ku_content/kuw055940.pdf

Please carefully note all sources and assistance when you turn in your work. Under no circumstances should you take credit for work that is not yours. You should neither receive nor give any unauthorized assistance on any deliverable. If you have any questions about what constitutes “unauthorized assistance” please email me before the deliverable is submitted.

Writing Style: Students must refer to MLA writing style for their assignments and report writing. Refer to the English Language Center for help.

Office Hours

Office hours are by appointments only. Please contact me to schedule an appointment for another time. You may contact me any time via email. It is best not to contact me via telephone, as I often work in areas other than my office. In general, this syllabus is your first source of information on questions pertaining to the class. I will not answer a question the answer for which is in the syllabus. When sending me an email, always include the class number and your first and last name in the email title. For example, “509 Fulan Alfulani”.

Course Outline

Title	Topics	Weeks (Tentative)
Introduction to Decision Making	Components of a good decision • Rational decision making • Bounded rationality • Emotions • Escalation of commitment	Week 1-2
Logical Fallacies	Optimism/overconfidence • Anchoring and adjustment • Availability heuristic • Representativeness • Base rate neglect • Gambler’s fallacy • Confirmation bias	Week 3-4
Framing and Mental Accounting	Framing effect • Endowment effect • Sunk cost • Mental accounting	Week 5
Judgment Under Uncertainty	Risk preferences • Choices under uncertainty • Expected utility theory • Prospect theory	Week 6
Intertemporal Choices	Dynamic inconsistency • Present bias • Dual process theory • Imagination and regret	Week 7-8
Fairness and Ethics in Decision Making	Bounded ethicality • Fairness in decision making	Week 9
Negotiations	Negotiation fundamental	Week 10
Evidence-based decisions	Finding patterns • Trend analysis • Causality • Introduction to game theory	Week 11
Behavior Change	Social norms • Incentives • Behavioral economics • Nudging	Week 12-13

Master of Business Administration (MBA) Competency Goals:

1. **Decision-Making Skills:** Our students will demonstrate advanced data-driven decision-making skills and supported by advanced analytical skills:

Student Learning Objectives:

- 1.1. Apply advanced quantitative and qualitative methods to solve business problems.
- 1.2. Recognize the implications of business decisions, evaluate different proposals based on available facts, and make well-supported business decisions.

2. **Leadership Skills:** Our students will demonstrate the ability to incorporate appropriate leadership styles in pursuit of strategic goals.

Student Learning Objectives:

- 2.1. Analyze different leadership styles and assess the effectiveness of other leaders.
- 2.2. Demonstrate knowledge of relevant leadership situational factors.

3. **Ethical Reasoning Skills:** Our students will be ethically conscious business leaders.

Student Learning Objectives:

- 3.1. Evaluate business decisions within an ethical framework.

4. **Communication Skills:** Our students will demonstrate advanced communication skills in a variety of business settings.

Student Learning Objectives:

- 4.1. Deliver clear, concise, and persuasive presentations.
- 4.2 Write clear, concise, and persuasive business documents.