Instructor Details: Professor Vicki Morwitz  
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Class Meetings: MGMT GB 6251.60 – Mon & Wed, 9:00am - 11:55am, Tisch UC25  
MGMT GB 6251.61 – Mon & Wed, 1:00pm - 3:55pm, Tisch UC25

Office Hours: Mondays, 12:00pm - 1:00pm and by appointment  
(NOTE: If for any reason you need to meet with me and are unable to make it for the regularly scheduled office hours, then please feel free to email me so that we can set up another mutually convenient time.)

Teaching Fellow: Anna Paley  
Email: apaley@stern.nyu.edu

Course Overview:  
In this class we will explore standards for high-quality judgment and decision making, how people may fall short of these standards in systematic ways, and how decision making can be improved. This course has two objectives. First, it will help you better understand the science of how humans make judgments and decisions. We will review research on human thinking from social psychology, cognitive psychology, political science, organizational behavior, decision science, and economics.

Second, this course aims to improve the quality of your own judgments and decisions. People are poor intuitive statisticians, meaning that when they “just think” about situations for which some data or casual observations exist, they tend to make serious inferential errors, in turn leading to systematically biased decisions. We will study some errors that are particularly important for real world problems and look for easy-to-implement solutions.

One important focus will be how the practice of accounting can be improved by an understanding of the psychology of judgment and decision making. Other applications covered in this course include policy design, negotiation, risk management, financial markets, human resource management, organization of teams, policy analysis, and political movements, among others.
Course Webpage:

The course webpage is on NYU classes. The webpage contains links to this syllabus, the optional readings (most links to readings are likely to work only within NYU’s network environment), and copies of the lectures slides.

Optional Readings:

For each class session I provide a list of optional readings that describe in more depth and technical detail the research that we discuss in class. To save you money, and since these readings are all optional, there is no course pack. You can access all of these articles for free at NYU’s Bobst using the electronic journal feature (http://library.nyu.edu). This will only work from NYU locations.

Grading:

Your grade will consist of two components, attendance and performance on two examinations.

The grade components and the associated weights are as follows:

A. Exams
   - Quiz: 35%
   - Final exam (cumulative): 60%
   - 95%

B. Attendance
   - 5%
   - 100%

Exams:

The quiz and the final exam will both consist of a combination of multiple choice and short answer questions. Both exams are closed book, closed note. Make ups are not permitted except in the case of a serious medical emergency.

Attendance:

Since this is a short and intensive class, you will be at a serious disadvantage if you miss any classes or parts of any classes. As a nudge to encourage perfect attendance, you will receive a 100 for 5% of your grade simply for being at every class for the full time. For those who miss any classes, or arrive late or leave early, the attendance portion of your grade will reflect the proportion of the total class time that you were in class.

Please inform me in advance if you know you will need to miss class or if you are sick. You will need a doctor’s note on letter head for an absence for illness not to count against your attendance grade.
Grading policies:

Grade distribution:

At NYU Stern, we strive to create courses that challenge students intellectually and that meet the Stern standards of academic excellence. To ensure fairness and clarity of grading, the Stern faculty have agreed that for elective courses the individual instructor or department is responsible for determining reasonable grading guidelines. For this class I will base your grades on your absolute performance and not on your performance relative to other students.

Policy on Rebuttals:

If you feel that a calculation or judgment error has been made in the grading of an assignment or exam, please write a formal memo to me describing the error and give it to me (in class or place it in my mailbox). Also include documentation in support of your opinion (e.g., a photocopied page from the lecture slides or optional readings with the relevant information highlighted). I will review your memo and discuss it with the TF. The TF will then make the decision and I will review the TF's decision. Your TF will then get back to you as quickly as possible with an answer.

Remember, grading any exam requires the grader to make many judgments on how well you have answered the question. Inevitably some of these go in your "favor" and some not, but taken together they usually assess fairly the abilities you displayed in the exam. It is inappropriate in regarding an exam to only consider instances where you believe you deserve a higher grade without also considering instances where you were given the benefit of the doubt. So if you want a grade to be reconsidered, the entire exam will be regraded. I have instituted this policy out of fairness to all students, many of who have requested me to use it. It is not intended to discourage people from questioning a grade, but rather to get them to think carefully when making these requests.

Students have one week after an exam has been returned to them to submit a grade rebuttal. After that date, no rebuttals will be accepted. If you are late picking up your exam because you are not in class, you will not receive extra time to turn in a grade rebuttal.

Policy on Extra Credit:

There are NO opportunities to improve your grade through work for extra credit. Please make sure to study for the examinations.
Academic Integrity:

Integrity is critical to the learning process and to all that we do here at NYU Stern. As members of our community, all students agree to abide by the NYU Stern Student Code of Conduct, which includes a commitment to:

- Exercise integrity in all aspects of one’s academic work including, but not limited to, the preparation and completion of exams, papers and all other course requirements by not engaging in any method or means that provides an unfair advantage.
- Clearly acknowledge the work and efforts of others when submitting written work as one’s own. Ideas, data, direct quotations (which should be designated with quotation marks), paraphrasing, creative expression, or any other incorporation of the work of others should be fully referenced.
- Refrain from behaving in ways that knowingly support, assist, or in any way attempt to enable another person to engage in any violation of the Code of Conduct. Our support also includes reporting any observed violations of this Code of Conduct or other School and University policies that are deemed to adversely affect the NYU Stern community.

The entire Stern Student Code of Conduct applies to all students enrolled in Stern courses and can be found here: www.stern.nyu.edu/uc/codeofconduct

General Conduct and Behavior:

Students are also expected to maintain and abide by the highest standards of professional conduct and behavior. Please familiarize yourself with Stern’s Policy in Regard to In-Class Behavior & Expectations (http://www.stern.nyu.edu/portal-partners/current-students/undergraduate/resources-policies/academic-policies/index.htm) and the NYU Disruptive Behavior Policy (http://www.nyu.edu/about/policies-guidelines-compliance/policies-and-guidelines/bullying--threatening--and-other-disruptive-behavior-guidelines.html).

Students with Disabilities:

If you have a qualified disability and will require academic accommodation of any kind during this course, you must notify me at the beginning of the course and provide a letter from the Moses Center for Students with Disabilities (CSD, 998-4980, www.nyu.edu/csd) verifying your registration and outlining the accommodations they recommend. If you will need to take an exam at the CSD, you must submit a completed Exam Accommodations Form to them at least one week prior to the scheduled exam time to be guaranteed accommodation.
Miscellaneous:

Getting the Information You Need:

I will use three methods – in class, e-mail, and NYU Classes – to make announcements of such things as syllabus revisions, updates of the lecture slides, details on exams, and any other important information about which you need to be aware. Not every announcement will be made all ways. It is your responsibility to check your e-mail and NYU Classes before each class and you will be expected to be aware of any e-mail announcements within 24 hours of the time the message was sent. If for some reason you are not able to check your e-mail, find out from a classmate whether anything was sent that you need to know. It is also your responsibility to be aware of all announcements and handouts given in class. If you miss a class, get copies of materials from classmates. Do not ask the TF or me to review what happened in class.

Seating Assignments and Name Cards:

So that I can learn your names, on the first day, please choose a seat in which you will be comfortable for the whole course. I will pass around a seating chart and name cards. Please bring name cards to class and use them in every class. If you forget your name card, you may be marked absent.

Policy Classroom Etiquette:

Out of respect for the other students in your class, it is important for you to focus your full attention on the class, for the entire class period. Most students observe proper decorum, but it takes only one person’s behavior to distract the entire class. Many students have complained to the Stern school about students who use class time for other purposes or act in a distracting manner. Please observe the following standards of classroom behavior:

• Arrive to class on time. There have been overwhelming complaints, mostly from students, over the past few years about disruptions caused by latecomers to class. Lateness will be looked upon unfavorably, and your grade will be affected. Once you’re in class, leave only if absolutely necessary. Leaving to make or take phone calls, to meet with classmates, or to go to an interview, is not considered appropriate behavior and will affect your grade.
• If for some reason you must be late for class, or leave early, please let me know in advance.
• If you know in advance that you will miss a class, please let me know in advance.
• Laptop computers and other electronic devices may not be used during class time. Many Stern students have complained about the distracting behavior of other students who use these devices for non-class purposes during class. If you
need an exception to this rule because of unusual circumstances, such as medical reasons, please see me.

- Turn off your cell phone, iPhone, Blackberry, iPad, and any other communications or sound devices. The use of any unapproved electronic devices during class, such as cell phones, music players, or sound or video recorders of any kind, without prior authorization from the instructor, is a violation of the Stern honor code and will be treated as such.
- The only material you should be reading in class is material that is concerned with the class. Reading anything else, such as newspapers or magazines, or doing work from another class, is not acceptable.
- Class may not be recorded in any fashion - audio, video, or otherwise – without permission of the instructor. It is important that everyone in the class feel comfortable to express their opinion, and that it will not become public.
- If you have trouble hearing in class because of distractions around you, quietly ask those responsible to stop. If the distraction continues, please let me know.
Schedule of Topics and Optional Readings
(Topics and dates are subject to change depending on interest and time)

Session #1 – Monday, June 17 – Introduction to Judgment and Decision Making;
Overconfidence


Session #2 – Wednesday, June 19 – Common Biases and Bounded Awareness; Information Filtering


Session #3 – Monday, June 24 – Framing and Preference Reversals; Non-Rational Influences on Decision Making


**Session #4 – Wednesday June 26 - Escalation of commitment; Fairness and ethics; Quiz**


**Session #5 – Monday, July 1 – Common Investment mistakes; Negotiations**


**Session #6 – Wednesday, July 3 – Improving Decision Making; Final Exam**
