MARK 8397, Decision Making
Intersession 2010
May 10 – June 7, 2010
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First Meeting: May 10, 2010 @ 1 pm, 387 Melcher Hall (Marketing Conference Room)
Duration: May 10 through June 7, 2010
Meeting Time: M, W, F, 1 pm to 5 pm (with exceptions noted below)
                                  (This is very tentative. We will optimize the meeting times to suit the preferences of the participants).

Decision making focuses on how people make judgments and choices. Many people wonder what is there to study about decision-making. Define your problem, get the information, apply your criteria and pick one. Really, what is there to study? It turns out that some of the fundamental notions regarding how people judge and choose, that feeds this simplistic view have gone by the wayside thanks to constructs such as risk, preference uncertainty, regret, conflict, loss aversion, framing, preference plasticity, context effects, group effects and such.

The purpose of this seminar is to introduce students to the field of behavioral decision research which focuses on decision making. Topics covered will include judgment under uncertainty, risk-taking, and dealing with conflicting values. The focus will be on the individual decision-maker; although, we will also touch on issues in group and organizational decision making
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Who Should Take this Course?

If you are a graduate student involved in original research concerning how people make choices, this seminar is for you.

This seminar is aimed at helping you gain an understanding of the forces that shape customer, employee, group and managerial decision-making. This means you, graduate students in disciplines such as marketing, management, finance, accounting and psychology. It is my hope that regardless of your discipline, and your area within it (strategy, consumer/human/client behavior) or method (surveys, experiments or analytical models), you will be able to enrich your research questions and make them standout for their contribution.

Course Format

Like all seminars, this will be discussion heavy. I will provide a list of core readings. I will optionally ask you to add to the readings (the mechanics of this will depend on the final number of participants).

To help you with the preparation for each class session, I am requiring the following deliverables at the start of the session (personally hand it to me, and please do not distribute to other class members). For each core and add-on , turn-in a hard copy of your summary of the paper. The summary should be typed-into the template attached to the end of this document. Essentially, the summary asks you to list the highlights and lowlights of the paper in terms of <u>five</u> aspects of the paper; the research question, the front-end, the core-argumentation and contribution, the method, and general discussion. Please see the "How to Deconstruct Papers" section later in this document.

In addition, one person should present each paper (20 min) and another should critique the paper (10 min).

Typical Class Session
1. We will begin with an opening statement from my side including any housekeeping (10 min max).
2. Discuss each paper:
   a. Open discussion in which you will draw from your own summary, and react to others' thoughts.
   b. Extensions, applications of the paper.
   c. Presentation of the paper by the presenter.
   d. Critique of the paper by the discussant.
3. Repeat # 2 for each paper.
4. Conclude with a concluding statement from my end.
5. Next session readings to be provided by Partha.
6. Allocation of Presenters and Discussants for the next session.

Class Schedule
This is extremely tentative. I will be providing the core readings to you a session ahead of time, and request you to suggest add-ons the same day.

Session	Date	Topic
1	5/10/2010	Introduction and Topic Housekeeping
2	5/12/2010	Rationality and Utility Approaches
3	5/14/2010	Probability and Related Biases (Availability, Representativeness, Anchoring)
4	5/17/2010	Biases Continued
5	5/19/2010	Preference Uncertainty and Anticipation
6	5/21/2010	Framing
7	5/24/2010	Conflict
8	5/26/2010	Regret and Counterfactuals
9	5/28/2010	Sequential Choice
10	5/31/2010	Group Decisions
11	6/2/2010	Happiness and Optimism
12	6/4/2010	Wrap up

Paper Summary Template

Authors:
Title:
Journal, Year:

Section	Highlights	Lowlights
Research Question		
Front-end		
Argumentation and Contribution		
Method		
General Discussion and Potential Extensions		

Deconstructing Papers

Class discussions form the backbone of the course. Therefore, your participation will determine the success of the course. In order to participate meaningfully in the course, you will need to know how to "deconstruct" an article. What does deconstructing mean?

Most articles have some basic structure, and can be thought of as investigations of relationships. For example, how does "framing" *influence* "choice"? In this case, the paper would have at least two constructs, mere framing and choice.

Research articles usually start with a context for the key foci, a.k.a., constructs involved in the research question. This may be an empirical phenomenon, or a marketing/social problem, a contradiction between the predictions from known theory and practice etc. This is often the "Introduction". We then encounter some related work in the literature that bears on the research problem. This section is "Literature Review".

The authors' chief contribution typically lies in taking this existing literature, and making connections between elements of the literature to make interesting relationships, i.e., predictions/hypotheses. These predictions are then subjected to an empirical examination, i.e., the "Method" section. This describes the study and procedures employed by the authors to evaluate the likelihood that the hypothesis may be valid (or the null hypothesis of no effects is rejected). The results of the examination validate or qualify the predictions. This section is called "Results". These, in turn, tell us something new about the context in which the research problem is situated. This section is called "Discussion".

If you carefully observe most empirical articles, they begin very broadly, become very focused in the methods section, and become broad in the results section, somewhat like an hourglass. Given the different role played by each portion of the article, we should have a battery of questions about the paper in order to deconstruct the paper. Here are some guidelines. We are likely to encounter articles based on experiments more often those based on other methods. So, much of the following guidelines apply mostly to experimental work. Some of the following questions may not be applicable for non-experimental approaches, and questions not included here may be more relevant. Hence, use the following as a general guideline only:

- What is the primary research question?
- What are the key constructs that comprise the research question?
- What theoretical grounding does the research question have?
- What have other researchers said about related topics?
- What is the research approach (experiment versus survey versus ethnographic inquiry etc.) and how appropriate it is, given the research question? -- To answer this question, you need to know the relative strengths and weakness of the chosen approach.
- What is the research design? – This relates to the technical aspects of the research approach such between versus within subjects' designs etc.
- What are the independent constructs, and how are they manipulated? -- This is usually applicable only for experiments.
- How are the key dependent constructs measured? More generally, are the data appropriate for testing the predictions?
- Do studies have internal manipulation and confound checks?
- If it is a non-experiment, is the data analysis appropriate?
- Are there alternative explanations for the results? And do the authors examine these?

- What do we know from the paper after reading it that we did not know before?
- What contribution does it make? Does it document a new phenomenon? Does it support/contradict an existing theory? Does it documents boundary conditions for existing theory, thus building new theory? Does it supports/contradicts a popular or conventional non-theoretical notion?

You will quickly notice that these questions are not pertinent just to consumer behavior papers. Many of these issues can be raised for most other research areas as well. I sincerely believe that when you train yourself to pose questions such as these (you may find additional questions that may be relevant) at an article and attempt to answer them, you will be sharpening your skills as both a consumer and author of solid research.

A caveat. Frequently, people engage in vicious criticism while discussing an article. This is very easy, but not very productive. If we keep in mind the fact that published articles represent a fraction of the numerous papers that are written, and that they are published after undergoing a rigorous review process, we will be able appreciate its contributions despite its limitations. It is usually impossible to find a published paper that is without limitations. So, be aware of the limitations, but strive to grasp its contributions.

Grading:

I will grade you for your class participation (50%), article summaries (30%), and one end of semester paper with an experiment (20%).

Class Participation. There will be at least one person leading the discussion on each article every week (occasionally, two people). The articles will be self-assigned. Now, what does it mean to lead the discussion? The leader will not make a presentation or a summary, leaving others as passive observers. Instead, the leader will generate a list of discussion questions which he/she will raise with a view of providing a thorough look at various aspects of the article. Discussion leaders must email the discussion questions to EVERYONE in CLASS along with the article summary and research idea (described below). Others (i.e., non-leaders for the given article) will be the discussion participants for that article. If the discussion flounders, the leader will pick it and bring it back to a level where it is able to self-sustain. Your participation grade will depend on what you contribute to the papers you both lead and do not lead.

Article Summaries. For every paper in the reading list I would like you to submit a summary using the template described earlier. Please bring this in prior to every meeting session.

Paper and Experiment. For the term paper, you will come up with a 10-15 page document (double-spaced, JCR style formatting) in which you generate a simple front-end that motivates a research question, and reports a study. I will arrange for the data collection, and provide you with a study description template. More details to be discussed in class.

General Guidelines/Other Information:

Read the assigned papers with a critical eye, and come fully prepared to discuss. Every student should expect to be questioned on all the topics on the table, any given day. In the absence of documented and verifiable emergencies, assignments/projects and other deliverables, if any, should be turned in on or before the deadlines.

<u>You are responsible for all announcements and material covered in class</u>. There will be no exceptions to this policy. I want you to participate vigorously in the class. I expect this to be an interesting course, and I am positive that your participation will enhance the learning experience for all of us. This course outline, including the grading policy, is tentative. If there are any changes, I will inform you in advance.

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. These services include assistance with course accommodations, adaptive equipment, individualized exam administration, taped textbooks, wheelchair repair, library needs, registration, handicapped parking, accessible housing and transportation, as well as many other needs. If you feel that you may need assistance of this nature, you may wish to call the Center at 3-5400. In addition, you should let me know about any special needs as soon as possible.

The CBA has a policy that requires all of its instructors to be evaluated by their students. The results of these evaluations are important to provide feedback to instructors on how their performance can be improved. In addition, these evaluations are carefully considered in promotion and other important decisions. We openly encourage students to provide feedback to the instructors by participating in the evaluation process.