

DESCRIPTION OF THE COLLEGE

GENERAL INFORMATION		
Course Holder	Dr. sc. Darija Korkut	
Name of the College	Behavioral economics	
Study program	Professional Graduate Study of Business Management - MBA	
Status of the College	Mandatory	
Code	MBA-BE-18	
Year	Year 2	
Point value and method of teaching	ECTS Student Workload Coefficient	6
	Number of hours (P+H+S)	28+28+14

DESCRIPTION OF THE COLLEGE
<i>1.1. Objectives of the course</i>
Students are expected to develop: a) general competencies: • understand the importance of the influence of individual behaviour on economic decision-making • Adapt to changes and the demands of the work environment • apply the acquired knowledge and contribute to the decision-making process. (A) Specific competencies. • identify key concepts important for the development of behavioral economics • recognize the problem of heuristics and biases in business problem solving and business decision-making • Critically evaluate the constructs of behavioral economics and their application in the economic context • solve the problem of making a business decision by applying knowledge and skills in the field of behavioral economics • solve a business problem by applying knowledge and skills in the field of behavioral economics.

1.2. Requirements for enrolment in the course

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1.3. Expected learning outcomes for the course

Students should be able to:

1. Interpret the laws and basic constructs of behavioral economics and the areas of its application in practice.
2. Evaluate the elements on which the individual's decision-making and choice are based.
3. Critically judge the reasons for an individual's behavior in an economic context and the basics of neuroeconomics.
4. To argue an opinion on the impact of knowledge in the field of behavioral economics on organizations and organizational behavior.
5. Explain the impact of public policies on decisions and behavior of individuals.
6. Evaluate contemporary research and knowledge in the field of behavioral economics.

1.4. The content of the course

Introduction to the course

Introduction to BE

What is Behavioral Science? What is BE?

Historical development of BE

Discussion of examples of BE activities in the environment

Fundamental constructs of BE

Motivation and cognition (perception, attention, memory)

Emotions and personality

Elements on which the decision-making and choice of an individual is based

Heuristics and biases

Limited rationality

Expected choice theory

Reasons for behavior in the economic context and neuroeconomics

Neuroscience

Neuroeconomics

Neuromarketing

Two-system model Behavioral Economics and Organizational Behavior Organizational culture Fundamental constructs Elements of toxic/healthy culture Organizational Fairness – Basic Concepts <i>Burnout and empowerment</i> Criticism of traditional methods of assessing satisfaction Happiness Index Happiness metrics – calculation and analysis Contemporary research and knowledge in the field of behavioral economics Contemporary Research in Cultural Anthropology - Theory Cultural Anthropology and Application in Behavioral Economics – A Case Study Methodological analysis of the findings and conclusions of the analysed research Case studies, practical tasks		
1.5. <i>Types of teaching (put X)</i>	☒ Lectures ☒ Seminars and workshops ☒ Exercises ☐ Distance education ☐ Field Teaching	☒ Independent tasks ☐ Multimedia & Network ☐ Laboratory ☐ mentoring work ☐ other _____
1.6. <i>Obligations of students</i>		
<i>Student obligations are prescribed in detail by the Statute, the Study Regulations and the Instructions on Student Obligations. The key obligations of students are:</i> ATTENDANCE AT CLASSES: <i>students are obliged to attend classes, actively follow lectures and exercises and participate constructively in classes, and in order to acquire the right to take the exam, it is necessary to attend classes in the percentages prescribed by the Study Regulations. For each student, their presence in class is recorded through the Infoeduka digital office system. The minimum commitments are;</i> <i>Full-time students must attend at least 70% of the total number of classes to be eligible to sign.</i>		

- Part-time students need to attend at least 50% of the total number of teaching hours to be eligible to sign.

EXAM: in order to achieve a positive grade in a subject, it is necessary to achieve at least 54 points in the subject, but also at least 50% of points for each learning outcome. The method of taking the exam is described in more detail in the item Assessment and evaluation of students' work during classes and at the final exam.

***FINAL EXAM** – a student who has not met the conditions for passing the exam during the continuous examination (has achieved a total of at least 54 points in the course and met the lower point threshold for the acquisition of each learning outcome, i.e. at least 50% of the points of each learning outcome), may take the learning outcomes of the course at the final exam.

WRITTEN EXAM: the student is required to take a written exam that verifies the mastery of outcomes 1 and 6 - the acquisition of advanced theoretical knowledge related to recent knowledge about the ways of processing information in the economic context and their impact on behavior (limited rationality) is checked, with special emphasis on the roles of heuristics and bias on economic decision-making, the acquisition of knowledge about scientific methods in behavioral economics and their applicability in practice.

GROUP PROJECT: the student is obliged to participate in a group project that tests the skill of practical application of theoretical knowledge about the elements on which decision-making and the choice of individuals are based (primarily incentives and influence) by applying one of the given methodological frameworks (BASIC and/or MINDSPACE). In addition to the above, the ability to lead, coordinate, cooperate and operationally perform the task in teams is also checked.

PRACTICAL WORK: the student is obliged to participate in solving individual and group practical tasks and exercises with the aim of practicing the skills of practical application of theoretical knowledge in the field of individual behavior in the economic context (in conditions of risk and uncertainty).

***CONTINUOUS EXAMINATION:** In order to improve the efficiency of students' progress in teaching, continuous examinations (4 intermediate exams) are carried out. In this way, students acquire smaller teaching units and master the subject material more easily.

1.7. Monitoring of student work (add X with the appropriate form of monitoring)

Attendance	x	Teaching activity		Term paper		Experimental work	
Written exam	x	Oral exam		Essay		Research	
Design	x	Continuous assessment*		Paper		Practical work	x
Portfolio							

1.8. Assessment and evaluation of students' work during classes and at the final exam

Assessment and evaluation of students' work during classes and at the final exam is carried out on the basis of the Study Regulations of the EFFECTUS University of Applied Sciences.

Allocation of points according to the forms of student work monitoring:

	Attendance	Written exam	Design	Practical work	Total
I1		16			16
I2			16		16
I3				16	16
I4				16	16
I5				16	16
I6		16			16
OUT OF THE BOX	4				4

TOTAL

4

32

16

48

100

Linking learning outcomes, teaching methods and methods of assessment of knowledge:

FORMS OF TRACKING	NAME OF LEARNING OUTCOMES	TEACHING METHOD	METHOD OF ASSESSMENT KNOWLEDGE	Maximum number of rating points
Written exam	OUTCOME 1 Interpret the laws and basic constructs of behavioral economics and the areas of its application in practice	Lecture	Exam in the form of an essay on a given topic: essay-type questions test the acquisition of advanced theoretical knowledge related to recent knowledge about the ways of processing information in the economic context and its impact on behavior (limited rationality), with special emphasis on the roles of heuristics and bias on economic decision-making.	16
		Asking questions		
		Discussion		
		Adapted version of the Socratic seminar		
Design	OUTCOME 2 Evaluate the elements on which an individual's decision-making and choice are based	Lecture	Group project: the group project tests the skill of practical application of theoretical knowledge about the elements on which decision-making and the choice of individuals are based (primarily incentives and influence) using one of the given methodological frameworks (BASIC and/or MINDSPACE). In addition to the above, the ability to lead, coordinate, cooperate and operationally perform the task in teams is also checked.	16
		Discussion		
		Training and feedback		
Practical work	OUTCOME 3 Critically judge the reasons for an individual's behavior in an economic context and the basics of	Lecture	Problem tasks: individual problem tasks test the acquisition of knowledge and skills necessary to understand the elements of the two-system model and their interaction and the related processes and mechanisms that affect	48
		Discussion		
		Asking open-ended		

	neuroeconomics	questions	judgment, decision-making and behavior.	
	OUTCOME 4 To argue an opinion on the impact of knowledge in the field of behavioral economics on organizations and organizational behavior	Lecture	A group task that will verify the acquisition of knowledge related to organizational cultures and concepts of organizational fairness and their applicability to a specific case.	
		Training and feedback		
	OUTCOME 5 Explain the impact of public policies on the decisions and behavior of individuals	Lecture	A group task that will test the skill of practical application of theoretical knowledge about elements related to the economy of happiness and apply it in the analysis of the happiness index.	
		Asking open-ended questions		
		Training and feedback		
Written exam	OUTCOME 6 Evaluate contemporary research and knowledge in the field of behavioral economics.	Lecture	Essay exam: essay-type questions will test knowledge of scientific methods in behavioral economics and their applicability in practice.	16
		Discussion		
Attendance	All outcomes	Lectures and exercises	Attendance records	4
	TOTAL POINTS			100

<i>Type of student workload</i>	<i>Hours of student workload</i>	<i>ECTS credits</i>
Attending face-to-face classes	70	2,33
Field trips/visits outside the college	0	0
Independent study/research	35	1,17
Out-of-classroom preparation and preparation of seminars/presentations	15	0,50
Work on an out-of-classroom project assignment	0	0
Independent preparation for exams and exam time	30	1,0
Consultation activities	15	0,50
Other	15	0,50
TOTAL ECTS credits	180	6

JUDGING:

In order to achieve a positive grade in the course, the student must cumulatively meet two conditions: achieve a total of at least 54 (fifty-four) points in the course and meet the lower point threshold for the adoption of each individual learning outcome, which is 50% of the total points of the learning outcomes.

Grades are calculated based on the following distribution of points:

NUMBER OF POINTS	RATING
0,00 – 53,90	Insufficient (1)
54,00 – 64,90	Sufficient (2)
65,00 – 79,90	Good (3)
80,00 – 89,90	Very Good (4)
90.00 and more	Excellent (5)

The evaluation is carried out in a transparent manner by collecting points. The course is valued with 100.00 points (with the possibility of achieving an additional 8 points on the Challenge learning outcome).

CHALLENGE LEARNING OUTCOME - the student has the opportunity to earn an additional maximum of 8 points through the Challenge learning outcome; The student independently chooses one of the activities proposed in the first lesson, and has the opportunity to independently propose an activity by which he wants to increase the number of points and, with the consent of the course holder, achieves them according to the criteria of the subject. Points for the Challenge learning outcome are not distributed according to the learning outcomes, but the number achieved is an additional number of points to the total number of points achieved according to the learning outcomes.

Before taking the final written exam, each student must meet the prescribed conditions, which primarily means that they have attended the % of classes determined

by the Study Regulations and that they have received an electronically encrypted permission to take the exam.

1.9. Required literature and number of copies in relation to the number of students currently attending classes in the course

Title	Number of copies	Number of students
<i>Polšek, D. (eds.) and Bovan, K. (eds.) (2014): Introduction to Behavioral Economics, Zagreb: Ivo Pilar Institute of Social Sciences.</i>	5* *students receive compulsory literature in permanent ownership	60

1.10. Supplementary literature

Kahneman, D. (2013): Thinking, Fast and Slow, Mosaic of Books
Thaler, R. H. and Sunstein, C. R. (2009): Incentive: It is possible to make better decisions about health, wealth and happiness, Zagreb. Planetopia
Cialdini, R. B. (2007): Impact: Science and Practice, Mate
Kahneman, D., Sibony, O., and Sunstein, C. R. (2022): Noise, Mosaic of Books
Thaler, R. H. (2020): Unreasonable Behavior – Creating a Behavioral Economy, School Book
Ariely, D. (2013): The Good Sides of Irrationality, VBZ Zagreb.
Ariely, D. (2009): Predictably Irrational, VBZ, Zagreb.
Gigerenzer, G. (2008): The Power of Intuition: The Intelligence of the Unconscious, Algorithm.
Kahneman, D. (December 2003): Maps of Bounded Rationality: Psychology for Behavioral Economic, The American Economic Review, Vol. 93, No. 5, pp. 1449-1475.
Camerer, Colin F. (2003): Advances In Behavioral Economics, Princeton University Press.
Camerer, C., Loewenstein, G. and Prelec, D. (March 2005): Neuroeconomics: How Neuroscience Can Inform Economics, Journal of Economic Literature, Vol. XLIII , pp. 9–64
Kahneman, D. and Tversky, A. (March 1979): Prospect Theory: An Analysis of Decision under Risk. Econometrica, Vol. 47, No. 2., pp. 263-292.
Bazerman, M. H. & Moore, D. A. (2012): Judgment in Managerial Decision Making 8th Edition, Wiley.

1.11. Quality monitoring methods that ensure the acquisition of output knowledge, skills and competences

- *analysis of exam results, achieved results, level of understanding and knowledge during exercises, practical tasks and group work,*
- *conducting a survey among students,*
- *The teacher's evaluation,*
- *the achieved results and the level of knowledge presented during the preparation and defense of the final thesis (of students who choose the graduate thesis in this subject),*
- *analysis of the reports of the Quality Center and*
- *Feedback from students who have already graduated and their employers on the usefulness of the content of this course in the performance of the work they do.*