

# Management Judgment and Decision Making

Spring 2000 Elective

Code: JDM  
Units: 2  
Blocks: 3.1–2  
Times: 11–13:10 Tu Th (3.1) Mo Th (3.2)  
Sessions: 2 × 2/wk (+1hr in 3.0)  
Limit: 20 students  
Details: See website\*

of fairness.

- Strategy: Understand how to avoid falling into certain decision making traps
- IS: What information decision makers need and what they might overlook

## Overview

We live in an uncertain world, and so we make decisions with incomplete information without the time to fully analyse each and every possibility. So, we automatically use short-cuts for making decisions and judgments. In many ways, those short-cuts work very well. But sometimes these short-cuts lead us to make poor decisions on a regular basis. Coming to understand how they work and when they lead to misjudgments can help us develop habits of thought which avoid many of the problems.

The goal of the course is to help develop habits of thought which will lead to better decisions. This is achieved by learning how to recognize when the automatic short-cuts lead us astray. Throughout the course, discussion and readings will focus on how these decisions making processes affect managers in organization.

Among the topics covered will be human thinking and judgments; information selection and evaluation; learning and memory; the social side of judgment and decision making; fairness perceptions, social dilemmas; and decision making in organizations. See website\* for a complete list of topics covered.

## Who should take this course

- Marketing: Understand consumer choice
- Finance: Understand your own and others perceptions of risk
- HRM: Understand how people see their choices involving others and perceptions

## What you will achieve

From this course you will gain a very substantially greater ability to

- Identify and avoid some far too common types of judgment errors.
- Recognize & predict these errors in others.
- Approach problems in an entirely different way.
- Understand competing claims of fairness.
- Become better thinkers. (Yes, really!)

But this comes at a cost: This course will be *hard* and will have a heavy reading load (see website\* for details of reading list). While the course is not a quantitative course, experience shows that those with an ability to think abstractly will get more from it.

## About the Instructor

**Lívía Markóczy** has advanced degrees in Economics from the Budapest University of Economics and a PhD in Management from the Judge Institute of Management Studies, Cambridge University. Her research in Judgment and Decision Making has been published in leading academic journals, and she has also published in *The Financial Times* and *Across the Board*. She has been engaged in undergraduate, PhD, MBA and Exec MBA teaching for 12 years, the last five of which have been at Cranfield.

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\*See <http://www.cranfield.ac.uk/~L.Markoczy/courses/jdm/description.pdf> for a full description of each session, including complete reading list. If you would like a paper copy, please ask Dr Markóczy or her secretary.