

# Decision Making: PSY 458, CRN 42026, Summer 2009

## **Lecture:**

Instructor: Nathan Ashby, 346-4924, nashby@uoregon.edu

Time: Monday-Thursday, 2:00-3:50pm

Place: MCK, 122

Office Hours: Fridays 10am-Noon or by appointment

## **Class website:**

**Everything will be posted on blackboard. Any messages will go to your uoregon email account so make sure you check it at least once a day.**

**Optional Text: Judgment Under Uncertainty: Heuristics and biases. Eds., D., Kahneman, P., Slovic, and A., Tversky: Cambridge University Press, NY, 1982.**

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## **Course Goals:**

- How do we make choices?
- How do we form judgments?
- How do we make decisions?
- What biases these decisions/judgments?
- How rational are we?
- What does “rational” mean? Logical?
- How can we improve our decisions?

We make decisions every day. Some of these decisions shape the future course of our lives (e.g., choosing a mate, selecting a career). Other decisions have less impact on our lives (e.g., what to eat for dinner, what laundry detergent to purchase). The field of psychological decision-making, which we will study in this course, examines the mechanisms that underlie these choices, preferences, and judgments, in the interest of improving decision-making processes so that our decisions lead to better outcomes.

In this course you will learn about research and theories in psychology that address the questions raised above. More importantly, you will learn to think more carefully about decisions and judgments that you and other people make, and you will gain insights into the complexities of human choices and judgments as well as increase your awareness of the mechanisms that guide your own behavior.

This 400-level psychology class will involve description, explanation, and exploration of the state of decision-making research as it exists today. Like any topic of current interest, our understanding of these processes is changing and improving even as we take this class.

## **Learning Adjustments:**

Contact Nathan as soon as possible if you have been diagnosed with a learning disability (confirmed by the Academic Learning Center) or have some other special needs that may require adjustments for you to learn/understand the material. For more information about disability services, visit their

web site: <http://ds.uoregon.edu/>. Evidence of a disability must be provided prior to requesting leniency.

## **Class Requirements, Activities, and Grading:**

### **1. Readings:**

All readings for this course will be journal articles. PDFs of these readings will be available on the course website. You should have read the articles that are listed for each day before class; **this includes the first day of class.**

### **2A. Participation and Attendance:**

Participation and attendance are 5% of your final course grade. Every day you will earn points for showing up, discussing the articles assigned, and participating in other activities of the day. This is the easiest portion of your grade to earn.

### **2B. Discussion Leading:**

2-3 people will be assigned/ each day to lead the discussion over the assigned articles. Each person will lead **at least 1** article discussion during the course; the discussion you lead is worth 20% of your final grade (30% comes from peer grading and 70% from instructor). You can sign up for articles no! Go to [blackboard.uoregon.edu](http://blackboard.uoregon.edu) and then to this courses section. Click on communication and then discussion board. There is a thread started with a list of all of the articles. Click on it and then reply with which article you are choosing.

### **3. Reading responses.**

You are required to summarize **each** of the articles assigned each day. These responses should follow the format laid out in the example. These summaries are due via email to Nathan ([nashby@uoregon.edu](mailto:nashby@uoregon.edu)) **one hour** before class begins. Responses are worth 25% of the overall grade.

### **4. Quizzes/Homework:**

There will be 4-5 pop-quizzes/homework's during the course of the class. These will account for 15% of your grade and will focus on the most recent material covered.

### **5. Final Paper:**

The final paper is due electronically on the last day of class (July 16<sup>th</sup>) by 4pm. This paper should be between 5 and 12 pages long (not counting cover page and references), double-spaced, and in APA format. Final papers may involve an editorial review of a specific topic in JDM, a proposal for a new study (i.e., the introduction and methods section for a possible paper), or a critique of a paper in JDM (ask for help on selecting a paper that merits such a review). Students who wish to do something else for their final paper should speak to the instructor. The final paper represents 25% of your grade.

### **6. Final Paper Presentation:**

Over the last few days of class each person will give a 5-minute talk about their paper. Use of power point is strongly suggested. This presentation is worth 15% of your grade.

**FINAL instead of Paper and Presentation:**

You may choose to have a final instead of a doing the paper and presentation. This final will take place on the last day of class (7/16) and will consist of multiple choice, fill in the blanks, essay and short answer questions. It would be worth the equivalent of the paper/presentation, 40% of the overall grade.

You must decide, and inform me via email, which option you are selecting by the end of class on 6/25. If you do not make a selection one will be made for you at random.

**Grading**

**Recap of how your grade will be calculated:**

Participation, Attendance, and Discussion Leading 25%

Reading Responses 25%

Quizzes 10%

Final Paper 25%

Final Paper Presentation 15%

***OR***

Participation, Attendance, and Discussion Leading 25%

Reading Responses 25%

Quizzes 10%

Final 40%

**Grading Key:**

90-100% = A (+/-)

80-89% = B (+/-)

70-79% = C (+/-)

60-69% = D (+/-)

*Less than 60% = F*

**I do not intend to apply a grading curve, but I reserve the right to do so if I feel it is warranted.**

**Lateness and Incompletes**

Nothing will be accepted late under any circumstances. Because all assignments are being laid out before the course begins there is no excusable reason for them not being turned in on time.

Any student who does not complete all the reading responses and the final paper, or final, will receive an incomplete grade until they have completed these assignments. University policy dictates that incomplete grades become F grades after one year.

**Cheating:**

Cheating consists of the uncited quoting or copying of any words, tables, or formulae not generated by the student. Papers should be written entirely by the student. Students may ask others, including other students in the class, to proofread their critiques or final paper for clarity, but not content. Reading responses must be written without any assistance; showing another student a reading response is cheating.

**What is NOT cheating?** Collaborative learning; that is, discussing the content of the course, lecture slides, or reading materials with others. Meeting to compare notes on readings or lectures can help everyone do well. Anything you write, however, must be your own work.

**Class Etiquette & Norms:**

- If you are expecting a phone call, need to read a book or newspaper, need to talk to or text your friend, or need to surf the internet, feel free to do so **outside** of the classroom.
- Warn the instructor if you have to leave early or show up late (you will lose points from attendance/participation if you do not forewarn me).
- Treat your fellow students and your instructors with respect and a degree of formality.
- Ask questions aloud if you have them. If you have a question, it is likely that others would benefit from the answer.

## Tentative Course Schedule:

Day/Date	Assigned Reading (Read by Day Listed)
1 – 6/22	Read articles 1 & 2 Reading Review Due for Articles 1 & 2
2 – 6/23	Read Articles 3, 4, & 5 Reading Review Due for Articles 3, 4, & 5
3 – 6/24	Read Article 6 Reading Review Due for Article 6
4 – 6/25	Read Articles 7, 8, & 9 Reading Review Due for Articles 7, 8, & 9
5 – 6/29	Read Articles 10 & 11 Reading Review Due for Articles 10 & 11
6 – 6/30	Read Articles 12 & 13 Reading Review Due for Articles 12 & 13
7 – 7/1	Read Articles 14 & 15 Reading Review Due for Articles 14 & 15
8 – 7/2	Read Articles 16 & 17 Reading Review Due for Articles 16 & 17
9 – 7/6	Read Articles 18 & 19 Reading Review Due for Articles 18 & 19
10 – 7/7	Read Articles 20 & 21 Reading Review Due for Articles 20 & 21
11 – 7/8	Read Articles 22 & 23 Reading Review Due for Articles 22 & 23
12 – 7/9	Read Articles 24 & 25 Reading Review Due for Articles 24 & 25
13 – 7/13	Read Articles 26, 27, 28, & 29 Reading Review Due for Articles 26, 27, 28, & 29
14 – 7/14	<i>Paper Presentations</i>
15 – 7/15	<i>Paper Presentations</i>
16 – 7/16	<i>Final/Paper Due</i>

**All but 1 of the articles are available for download on Blackboard:**

1. Normative Models of judgment and decision making, Baron
2. Fast and Frugal Heuristics: The Tools of Bounded Rationality.
3. Judgment and Uncertainty: Heuristics and Biases, Tversky and Khaneman, 1974
4. The Great Rationality Debate, Tetlock and Mellers, 2002
5. A Perspective on Judgment and Choice, Khaneman, 2003
6. Mindful Judgment and Decision Making, Weber and Johnson, 2009
7. Toward a Positive Theory of Consumer Choice, Thaler, 1980
8. The Construction of Preference, Slovic, 1995
9. Error and Bias in Comparative Judgment: On Being Both Better and Worse than we Think we are, Moore and Small, 2007
10. Decision and Experience: Why don't we choose what makes us happy?, Hsee and Hastie, 2006
11. Specification Seeking: How Product Specifications Influence Consumer Preference, Hsee, Yang, Gu, and Chen, 2009
12. The Affect Heuristic, Slovic, Finucane, Peters, and MacGregor,
13. The Springs of Action: Affective and Analytical Information Processing in Choice, Peters and Slovic, 2000
14. Risk as Analysis and Risk as Feelings: Some Thoughts about Affect, Reason, Risk, and Rationality, Slovic, Finucane, Peters, and MacGregor, 2004
15. Risk as Feelings, Loewenstein, Weber, Hsee, and Welch, 2001
16. Direct Risk Aversion: Evidence From Risky Prospects Valued Below Their Worst Outcome, Simonsohn, 2009
17. The Role of Affect in the WTA/WTP Disparity, Peters, Slovic, and Gregory, 2003
18. The Willingness to Pay/Willingness to Accept Gap, the "Endowment Effect," Subject Misconceptions and Experimental Procedures for Eliciting Valuations, Plott and Zeiler, 2003
19. Heart Strings and Purse Strings, Carryover Effects of Emotions on Economic Decisions, Lerner, Small, and Loewenstein, 2004
20. Emotional Accounting: How Feelings About Money Influence Consumer Choice, Levav and McGraw, 2009
21. The Dark Side of Emotion in Decision Making: When Individuals with Decrease Emotional Reactions Make More Advantageous Decisions, Shiv, Lowenstein, Bechara, 2005.
22. Perspective Taking: Imagining How Another Feels Versus Imagining How you Would Feel, Batson, Early, and Salvarani, 1997 (*Available in the library; will do you some good to look something up non-electronically for once*)
23. How Social and Animal: The Human Capacity for Caring, Batson, 1990
24. Sympathy and Callousness: The Impact of Deliberative Thought on Donations to Identifiable and Statistical Victims, Small, Lowenstein, Slovic, 2006
25. Neuroeconomics, Zak, 2004
26. Neural Responses to Taxation and Voluntary Giving Reveal Motives for Charitable Donations, Harbaugh, Ulrich, Burghart
27. The Neural Basis of Economic Decision-Making in the Ultimatum Game, Sanfey, Rilling, Aronson, Nystrom, & Cohen
28. Frames, Biases, and Rational Decision-Making in the Human Brain, De Martino, Kumaran, Seymour, and Dolan

29. Neural Antecedents of the Endowment Effect, Knutson, Wimmer, Rick, Hollon, Prelec, and Lowenstein