
**MNO2705 LEADERSHIP AND DECISION MAKING UNDER UNCERTAINTY
AY 2019-2020, SPECIAL TERM 2**

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Module Description

The decisions you make every day will shape your life. In an organization, the decisions you make will impact outcomes for you, your team, and your organization and will cumulatively affect the trajectory of your career. This module aims to help you navigate the pathways of decision making in organizations. We will adopt an evidence-based approach, tapping several streams of research – including behavioural psychology and economics, error management, and intuitive judgment – to give a rigorous account of what separates good decisions from the rest. These conceptual tools will empower you to make good decisions in an uncertain world, to influence, and to lead.

This module addresses the foundations for decision making in modern organizations, where the requirements of speed, global reach, and change that our organizations face also create conditions for unsafe and unethical business practices to persist. Reports of insider trading, graft and cronyism, unsafe products, unfair trade practices, and environmental waste are commonplace in the media. Thus, our concern is with foundations for morally decent or ethical decision making.

The foundations for this module are drawn from established frameworks for decision making from the fields of behavioural economics, social psychology, and management. Working with those concepts, we give focused attention to the challenges of decision making within the context of Singapore and Asia. This aspect of the Asian context is reflected in the readings and cases covered, as well as in class discussion.

Module Objectives

The key objectives of this module are: (a) To examine how individual and collective decisions are made in organizations, (b) to develop an understanding of the effects of cognitive biases, heuristics, emotions and social dynamics on decision processes and outcomes, and (c) to be able to suggest practical ways for leaders to become more effective in making decisions and implementing them.

Course Materials

Recommended reading: Kahneman, D. (2013). *Thinking, Fast and Slow*. New York: Farrar, Straus & Giroux.

Additional materials: Recommended and assigned readings are available through the online NUS library portal, as well as through LUMINUS.

Modes of Teaching and Learning:

This module uses various modes of teaching and learning. During the lectures, material will be presented by the instructor and there will be student presentations, exercises, simulations, assignments, etcetera. In all of these, student participations is key. Student will also learn independently, while preparing for class. They will study assigned readings and prepare individual assignments. Furthermore, students will learn from preparing and carrying out assignments and exercises with their team members.

The success of this course relies heavily on all of us creating a supportive and safe environment. Therefore, you are encouraged to listen carefully to each other and to articulate your own perspectives in a civil and respectful manner. Your active participation and open sharing is essential. You will learn through interaction with your classmates in and outside the classroom, while working alone and while working on projects in teams with members coming from different backgrounds. This way of learning not only provides you with opportunities to build confidence and sharpen your skills, but also helps you to get to know one another well, and build life-long relationships.

Class Management

Instructors facilitate learning. They structure processes, facilitate discussions, and give feedback. However, they spend very little time providing anything that you can read on your own. Class time is used for exchanging ideas and generating issues to be resolved.

Students are mature class participants and independent learners. They source and read relevant information besides just reading the textbook or assigned readings, they bring in relevant examples, questions, and ideas, they generate responses to issues raised in class, and evaluate and critique responses given.

Class Culture maximizes collective learning by stimulating participation, creativity, and spontaneity. Keywords are high trust, high touch, and high task. Be open and use experiences for learning. Be appreciative, active, and questioning when you learn. Maximize your own and others' learning opportunities.

Evaluation

Overall course grades are based on evaluations of both individual and collaborative work. As for all graded exercises in Singapore schools, final grades reflect relative performance among peers. Foreign students should take note of this and consult your Singaporean counterparts on this issue.

Individual-based coursework

- Professionalism and engagement in class participation 15%
- Online Quiz 35%

Collaborative coursework

- Decision Challenge Team Project (5-7 people) 50%

Overview of Course Topics and Readings for each Lecture

<p>Session 1 25 June</p>	<p>Introduction: Leadership, Uncertainty, and Decision Making in Organizations</p> <p>Readings:</p> <p>Watts, D. J. (2011). "Thinking about Thinking." Chapter 2 in Everything is obvious, once you know the answer: How common sense fails us. New York, NY: Crown Business/Random House (p. 30-53). (LUMINUS)</p>
<p>Session 2 27 June</p>	<p>Ethical foundations for leadership</p> <p>Readings:</p> <p>Ferrell, O. C., J. Fraedrich & L Ferrell (2017) Individual Factors: Moral Philosophies and Values. (Chapter 6) In Ferrell, O. C., J. Fraedrich & L (Eds) <i>Business Ethics: Ethical Decision Making and Cases</i> (p. 154-176). Singapore: Cengage Learning. (LUMINUS)</p> <p>Sandel, M. (2009) What matters is the motive / Immanuel Kant. Chapter 5 In M. Sandel, <i>Justice: What's the right thing to do?</i> (pp. 103- 139) New York: Farrar, Straus & Giroux. (LUMINUS)</p>
<p>Session 3 2 July</p>	<p>Ethical Decision Making and Persuasion</p> <p>Readings:</p> <p>Case: Chris and Alison Weston (A)</p> <p>Bandura, A. (1999). Moral disengagement in the perpetration of inhumanities. <i>Personality and social psychology review</i>, 3(3), 193-209. <u>Note that only pages 193 to 201 are assigned.</u> (LIB)</p> <p>Antonakis, J., Fenley, M., & Liechti, S. (2012). Learning charisma. Transform yourself into the person others want to follow. <i>Harvard Business Review</i>, 90(6), 127-30. (LIB)</p> <p>Cialdini, R. B. (2001). Harnessing the science of persuasion. <i>Harvard Business Review</i>, 79(9), 72-81. (LIB)</p>
<p>Session 4 4 July</p>	<p>Models of Judgment & Decision Making I</p> <p>Readings:</p> <p>Kahneman, Daniel. 2013. Bernouli's Error (270-277) & Prospect Theory (278-288) in <i>Thinking, Fast and Slow</i>. New York: Farrar, Straus & Giroux.</p> <p>Beshears, J., & Gino, F. (2015, May). Leaders as decision architects: Structure your organization's work to encourage wise choices. <i>Harvard Business Review</i>, 93, 52–62. (LIB)</p>
<p>Session 5 9 July</p>	<p>Models of Judgment & Decision Making II</p> <p>Readings:</p> <p>Hammond, Keeney, R., & Raiffa, H. (2006). The hidden traps in decision making. <i>Harvard Business Review</i>, 84(1), 118-126. (LIB)</p> <p>- Group Project Elevator Pitches to be submitted by 8 July 10PM</p>

Session 6 11 July	<p>Culture, Leadership, and Decision Making</p> <p>Readings:</p> <p>Chen, M. K. (2013). The effect of language on economic behavior: Evidence from savings rates, health behaviors, and retirement assets. <i>The American Economic Review</i>, 103(2), 690-731. (LIB)</p> <p>Ferraro, G. P. (2006) “Culture and International Business (Chapter 2) in <i>The Cultural Dimension of International Business</i>, 5th edn. Upper Saddle River, NJ: Pearson Prentice Hall, pp. 18-46). (LUMINUS)</p> <p>Talhelm, T., Zhang, X., Oishi, S., Shimin, C., Duan, D., Lan, X., & Kitayama, S. (2014). Large-scale psychological differences within china explained by rice versus wheat agriculture. <i>Science</i>, 344(6184), 603-608.(LIB)</p> <p style="text-align: center;">- <i>Group Project Proposal due 11 July 10PM</i></p>
Session 7 16 July	<p>Group Decisions: Collaborating</p> <p>Readings:</p> <p>Garvin, D. A., & Roberto, M. A. (2001). What you don't know about making decisions. <i>Harvard business review</i>, 79(8), 108-119. (locate in NUS library e-journals)</p> <p>Gross, Leib, Offerman, & Shalvi (2018). Ethical free riding: When honest people fins dishonest partners. <i>Psychological Science</i>, 29, 1956-1968.</p>
Session 8 18 July	<p>ONLINE QUIZ</p>
Session 9 23 July	<p>Negotiated Decisions: Cooperating and Competing</p> <p>Readings:</p> <p>Bazerman, M. H., Tenbrunsel, A., & Wade-Benzoni, K. (2008). When "sacred" issues are at stake. <i>Negotiation Journal</i>, 24(1), 113-117. (LIB)</p> <p>Thompson, Leigh L. (2012) “Preparation: What to do before negotiation” Chapter 2 in <i>The Mind and Heart of the Negotiator</i> (5th ed.). Boston: Pearson. (pp. 12-28). (LUMINUS)</p>
Session 10 25 July	<p>Team Presentations Preparation</p>
Session 11 30 July	<p>Team Presentation Q & A</p> <p style="text-align: center;">- <i>Team Presentation Video to be submitted by 29 Jul 10PM</i></p>
Session 12 1 August	<p>Module Closure</p>

Details of Grading Components

Online quiz (individual, 35%), 18 July 2020

The quiz tests your understanding of and ability to work with course concepts and frameworks. The quiz covers the subject-matter from class and assigned readings.

The format of the quiz:

- It will be a take home quiz in essay format.
- You will be able to access the quiz for the 2 hour time period (time slot to be finalized based on timetable slot)
- You can use all information provided to you in the lectures, the lecture slides, and the assigned readings when writing your answer. Yet, your write-up should be your individual work. Please do not waste your time discussing your answer with others or going online in search for answers.
- You are to upload your essay to the designated folder on LUMINUS (using Turnitin) before the end of the quiz.

Professionalism and engagement in class participation (individual, 15%)

We expect active participation during class sessions. Our view of participation is having an overall positive impact on the learning of others. To do so, that includes typical measures like asking thoughtful questions, making insightful comments, providing examples, building on others' ideas, and demonstrating keen interest in all classroom proceedings. But it also includes participating in group activities, respecting others, listening well, not wasting instruction time with questions that are answered and not dominating the classroom.

We expect you to demonstrate a good learning attitude, observe conventional etiquette for interactions both inside and outside class, be on time, and be fully engaged in the class. Showing due respect and consideration for fellow students and instructors at all times is also highly valued.

Our perspective on professionalism and engagement in class participation places high priority on the quality of involvement. Participation in each class session is evaluated according to the grading scheme below.

<i>Grade</i>	<i>Behavior Anchors</i>
0	<ul style="list-style-type: none">▪ Absent
1	<ul style="list-style-type: none">▪ Does not respond or participate in discussions and activities▪ Demonstrates passive or very infrequent involvement
2	<ul style="list-style-type: none">▪ Prepares for class: understands the topic but does not try to answer or elaborate when called upon▪ Occasionally contributes general comments and participates in discussions and activities▪ Demonstrates a fair level of involvement
3	<ul style="list-style-type: none">▪ Prepares well for class: provides thoughtful comments with relevant points▪ Frequently participates in discussions and activities▪ Demonstrates active and consistent involvement
4	<ul style="list-style-type: none">▪ Prepares fully for class: offers interesting or insightful perspectives, experiences, or reflections▪ Always participates in discussions and activities▪ Asks thoughtful questions▪ Demonstrates impactful and very active involvement

Decision Challenge Team Project (5-7 person teams, 30%)

Your team will identify and investigate a challenging decision situation from the past 5 years or an ongoing challenge. It should be one that (a) is Asia-relevant, (b) you are curious and passionate about, and (c) involves aspects of uncertainty and risk—the sort of situation where you can use the knowledge from this module to gain insight and understanding. Identify the decision situations and how it came about, explain the key players involved, and analyze the situation from the standpoint of the essentials for effective decision making. You will want to be systematic in covering potential threats to effective decision making, including the role of biases and heuristics, group processes, and such.

Each team will choose its own topic of study. Topic overlap among teams should be minimal, and topic areas are approved on a first-come, first-served basis. Here are some examples:

- 1) Recent: How the Thai team rescued the soccer players who were trapped in the cave?
- 2) Ongoing: How the Singapore Government arise the employment level of senior citizens?

Additional Information:

- Elevator Pitch: Your team will submit an ‘elevator pitch’ (1-2 min video) of your proposal by 8 July 10PM. You will receive comments from your classmates.
- Formal Project Proposal: Your team will submit a formal project proposal document (one page) that describes the decision challenge that your team will work on, the stakeholders involved, why it is interesting and important, and the methods you will use to approach the challenge. Proposal documents are to be submitted by 11 July 10PM. Meeting sessions with me can be arranged to review your team project.
- Project Presentation: Your team presentation video has to be submitted by 29 Jul 10PM. Each team will have 15-20 minutes of presentation time. Your classmates will post their questions/comments on your presentation video by 30 Jul 10PM.
- Assessment: Team presentations are evaluated on five criteria that are weighed equally: depth of understanding of the decision challenge, clarity and depth of the analyses, the practical wisdom drawn from the study, overall quality and professionalism of the presentation, and effectiveness in engaging the audience.

Important Criteria for Evaluating Written and Presented Work

Managers and professionals have to communicate in a way that is clear, precise, and informative. They have to organize their thoughts clearly and make their points with logic and supporting rationale. We look for similar elements when evaluating your work:

- **Discipline:** Make sure written and presented work is organized and easy to follow. Convey main points clearly to readers and in a logical manner. Don't gloss over the foundations—spell words correctly and adhere to rules for grammar and usage.
- **Justified Arguments:** Support your assertions with evidence from relevant sources (e.g., text, reading, interviews). Be sure to acknowledge sources.
- **Specificity and Accuracy:** Make specific rather than vague assertions. You will have greater difficulty in justifying general observations/statements. Also, note that accuracy in the use of technical terminology is critical. It is better to use an everyday word you do understand than to use a nice-sounding technical term inappropriately.
- **Wisdom:** Think through the implications of your recommendations (well beyond the obvious). Recognize potential unintended consequences and inherent trade-offs that must be considered.
- **Originality:** The quality of your ideas is important. Show creative, independent thinking as much as possible. Other things being equal, we reward attempts at creativity and thinking “outside-the-box.”
- **Academic Integrity:** Signing your name to an exam or quiz establishes the work as your own. Academic integrity and honesty is essential for the pursuit and acquisition of knowledge. The University and School expect every student to uphold these values at all times. Academic dishonesty is any misrepresentation with the intent to deceive, or failure to acknowledge the source, or falsification of information, or inaccuracy of statements, or cheating on examinations/tests, or inappropriate use of resources.

Plagiarism is ‘the practice of taking someone else's work or ideas and passing them off as one's own’ (The New Oxford Dictionary of English). The University and School do not condone plagiarism - You have the obligation to make clear to the assessor which work is your own, and which is the work of others. Otherwise, your assessor is entitled to assume that everything being presented for assessment is entirely your own work. This is a minimum standard. In case of any doubts, consult your instructor.

Additional guidance is available at:

- <http://www.nus.edu.sg/registrar/administrative-policies/acceptance-record.html#NUSCodeofStudentConduct>
- <http://emodule.nus.edu.sg/ac/>