THE OHIO STATE UNIVERSITY

JOHN GLENN COLLEGE OF PUBLIC AFFAIRS

PUBAFRS 6055:
Judgment in Managerial Decision-Making
Semester 20XX Syllabus
Online Delivery
Credit Hours: 2

Professor:
Contact Info:
Office Hours:

COURSE OVERVIEW

Decision making is fundamental to good management. Every day, every hour, managers make decisions that have large and small consequences. If decision makers can improve just a small percentage of those decisions, they could realize significant time and costs savings, and improved outcomes.

Public affairs decisions are made in the context of imperfect information; uncertain events, conditions, and outcomes; and conflicts over values. Yet despite these challenges, decisions must be made in order to meet a wide range of societal objectives. A diverse set of models and skills are available to analyze and guide decisions in operational and managerial settings.

In addition to reviewing the rational ideal of decision-making, this course draws on scholarship from economics, psychology, sociology, political science, and management that examines how and why human beings so often deviate from this classic model of "economic man." People often make irrational decisions in predictable ways. The course will opportunities for managers to practice learning how to identify these common biases and logical fallacies and employ skills and techniques to compensate for them.

Finally, the course will offer opportunities to apply skills to improve group decision-making.

COURSE LEARNING GOALS

Upon completion of the course, students will
- Possess a portfolio of decision making skills that are applicable to a wide variety of managerial problems and contexts
- Have tools that can incorporate data, evidence and values into decisions about complex problems in the public and non-profit sectors

Upon completion of the course, students should understand:

- The nature of decision-making in public affairs from both a theoretical and practical perspective
- The theoretical assumptions about human decision-making underlying public policy and management practices

DEGREE LEARNING GOALS AND OBJECTIVES

The course contributes to all Glenn College learning goals and objectives related to foundational knowledge in public affairs; competencies in management and leadership and developing an appreciation for multiple perspectives in public affairs. In particular, the course attends to the following Glenn College program goals and objectives.

1. Students can lead and manage in public and nonprofit organizations. (Intermediate)
3. Students can analyze, synthesize, think critically, solve problems and make decisions (Advanced)
4. The ability to articulate and apply a public service perspective. (Intermediate)
5. The ability to communicate and interact productively with a diverse and changing workforce and citizenry. (Intermediate)
6. The ability to integrate, synthesize, and apply knowledge across the curriculum in a professional public service context. (Intermediate)
7. The ability to interact effectively with public policy and administration professionals from a broad range of sectors, using professional competencies common to the field. (Intermediate)

PREREQUISITE

Admission to the MPAL Degree Program

BASIS FOR ASSESSMENT

Your grades will be based on the following activities (detailed rubrics and prompts can be found on Carmen):

Final Paper (20%)

This assignment provides an opportunity to integrate and apply the material from the course to a very practical problem. How can you introduce better decision making approaches to your organization or policy? A central theme of the course is better use of information, tools and models to improve decision-making. In this paper, you will identify a managerial or policy problem that could be improved through informed decision-making. This will include develop procedures to defining the problem, gathering information, how you are going to analyze the problem and identifying a way to make a decision about that problem.

Formatting Instructions: Microsoft Word document; double-spaced, 12-point font, 1 inch margins, include your name and page numbers.

Class Participation (20%)

Your participation in online class discussions and group exercises is imperative to doing well in this course. All assignments build on each other to help you synthesize information.

Assignments (70%)

1. Apply PRO-ACT to an important decision that your organization will need to make. (15%)

PRO-ACT is a structured approach to support decision makers as the: 1) define problems; 2) clarify objectives, develop decision alternatives, and examine how different alternatives can meet objectives.

You will select a decision that is important to your organization and apply the PRO-ACT approach.

2. Apply MAUT to a personal or organizational decision. (15%)

Even simple decisions require comparing several alternatives across a variety of objectives (price, durability, warranty, ease of use, etc.) These comparisons are not always straightforward. Multi-attribute utility analysis

3. Identify a dysfunctional heuristic in your organization and a way to compensate for it. (15%)

Heuristics are "shortcuts" we use to make the many decisions that are required every day. We simply do not have the time to go through a paper and pencil exercise of looking at all the alternatives available, collecting information on those alternatives and doing our analysis. Who needs analysis when we need to make a decision on what we are going to ear for lunch. But sometimes we use heuristics in ways that will lead to bad decisions.

In this assignment, you will use the description of heuristics to take a closer look at the heuristics we use all the time. In particular, you will pick a decision that your organization makes and see if they are any hidden heuristics that should be

questioned. You will offer a policy or management practice that can overcome this dysfunctional heuristic.

4. Build a Model and Design a Protocol to Support Civil Engagement (15%)

In this assignment, you will be asked to apply your understanding how groups work by creating a set of materials that will support the public's engagement in a problem your organization is facing.

This will include describing the problem you are working on, identifying the kinds of information that important to understanding the problem, what decision rules you are using to frame the problem, the various alternatives that are / were being considered and your final recommendation.

You need not actually assemble these materials but discuss how you would present this information to a group to minimize the potentially dysfunctional ways in which groups make decisions.

5. Understanding How Systems Work (10%)

Most of the problems we face are complicated and the appropriate tools to help us manage complex problems. Typically, however, we simplify complex problems by saying that "A causes B" and if we can control A then get B to change too. The reality is more complicated because not only A affects B, but B can also effect A and not only that, X, Y, and Z can affect both A and B. We need systems tools to be able to manage systems.

In this assignment, we are going to play with an existing systems model about climate change. When we play with this model we will see how a systems model can capture the interdependency of social and physical factors as they affect the world's climate. We will see how both linear and nonlinear relationships can surprise our expectations about how policy will work. We will begin identifying what are typically called "unintended consequences."

You will be presented with a "flight simulator" that allow you to change policies to see how easy it is to change human behavior and improve our climate. You will be asked to write down the policy changes and now how the system responds. Based upon these observation, you will be asked to make policy recommendations.

I do not accept late assignments.

Grading Schema

Transformation of numerical grades to letter grades will correspond to this schedule:

A	93-100	C+	77-79.9	E	59.9 and below
A-	90-92.9	C	73-76.9		
B+	87-89.9	C-	70-72.9		
B	83-86.9	D+	67-69.9		
B-	80-82.9	D	60-66.9		

Grade Appeals

Grades on assignments are intended to reflect the overall quality of performance of the student. You may appeal your grade on an assignment if you think the grade does not reflect the quality of your performance on the assignment. To appeal a grade, submit a clear written explanation describing why you believe the assigned grade is inappropriate within one week after your work is returned. You must cite specific components of the rubric for the given assignment. I will carefully consider all such appeals. If I re-grade the assignment, I will re-grade the *entire* assignment. As a result, the final grade for the re-graded assignment may be greater than, less than, or equal to the original grade.

READINGS

Students can access textbook information via the Barnes & Noble bookstore website: www.shopOhioState.com as well as from their BuckeyeLink Student Center. This information is disseminated by B&N to all area bookstores. You may buy from a store of your choice and/or shop for books (always use ISBN# for searches) online.

There are two **required** texts for this course:

Thaler, R.H., & Sunstein, C.R. (2009). *Nudge: Improving decisions about health, wealth, and happiness*. New York, NY: Penguin Books. [ISBN-13: 978-0143115267 ISBN-10: 014311526X]

Hammon, J.S., Keeney, R.L., & Raiffa, H. (2002). *Smart Choices: A practical guide to making better decisions.* New York, NY: Broadway Books. [ISBN-13: 978-0767908864 ISBN-10: 0767908864]

Additional materials will be posted on Carmen.

PREREQUISITE CONCEPTS

Multidimensional nature of public affairs (legal, economic, managerial, political)

WRITING SUPPORT

The University Center for the Study and Teaching and Writing (https://cstw.osu.edu/writing-center) is a resource available to all students. The Writing Center at the CSTW offers free help with writing at any stage of the writing process in a variety of formats, including research papers, proposals, and reviews. You can schedule online or call 614-688-4291.

- Clients may schedule ONE appointment at our Smith Lab and/or The Research Commons (3rd Floor, 18th Ave Library) location each week. Clients may have one walk-in tutorial daily (up to four per week) at our satellite center on the first floor of Thompson Library.
- Clients registered with the Office of Disability Services may have two appointments per week.
- Clients with more than their allowed number of appointments per week will have the overflow appointments canceled.

Academic Misconduct

(From: http://oaa.osu.edu/coamfaqs.html#academicmisconductstatement)

The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's *Code of Student Conduct* and that all students will complete all academic and scholarly assignments with fairness and honesty. Failure to follow the rules and guidelines established in the University's *Code of Student Conduct* may constitute "Academic Misconduct." Sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University.

In the Ohio State University's *Code of Student Conduct*, Section 3335-23-04 defines academic misconduct as: "Any activity that tends to compromise the academic integrity of the University, or subvert the educational process." Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's *Code of Student Conduct* is never considered an "excuse" for academic misconduct.

If you have any questions about the above policy or what constitutes academic misconduct in this course, please contact me.

Other sources of information on academic misconduct (integrity) to which you can refer include
The Committee on Academic Misconduct web page: http://oaa.osu.edu/coam.html
Ten Suggestions for Preserving Academic Integrity: http://oaa.osu.edu/coamtensuggestions.html
Eight Cardinal Rules of Academic Integrity: www.northwestern.edu/uacc/8cards.html

It is also important to be clear on your syllabus about what your policy is regarding collaboration on assignments, as some instructors encourage it, while others prohibit it.

Glenn College Diversity Values Statement

The Glenn College is committed to nurturing a diverse and inclusive environment for our students, faculty, staff, and guests that celebrates the fundamental value and dignity of everyone by recognizing differences and supporting individuality. We are dedicated to creating a safe space and promoting civil discourse that acknowledges and embraces diverse perspectives on issues and challenges that affect our community.

Accommodation Policy

The University strives to make all learning experiences as accessible as possible. If you anticipate or experience academic barriers based on your disability (including mental health, chronic or temporary medical conditions), please let me know immediately so that we can privately discuss options. To establish reasonable accommodations, I may request that you register with Student Life Disability Services. After registration, make arrangements with me as soon as possible to discuss your accommodations so that they may be implemented in a timely fashion. **SLDS contact information:** slds@osu.edu; 614-292-3307; slds.osu.edu; 098 Baker Hall, 113 W. 12th Avenue.

Mental Health

As a student you may experience a range of issues that can cause barriers to learning, such as strained relationships, increased anxiety, alcohol/drug problems, feeling down, difficulty concentrating and/or lack of motivation. These mental health concerns or stressful events may lead to diminished academic performance or reduce a student's ability to participate in daily activities. The Ohio State University offers services to assist you with addressing these and other concerns you may be experiencing. If you or someone you know is suffering from any of the aforementioned conditions, you can learn more about the broad range of confidential mental health services available on campus via the **Office of Student Life Counseling and Consultation Services (CCS) by visiting ccs.osu.edu or calling 614-292- 5766. CCS is located on the 4th Floor of the Younkin Success Center and 10th Floor of Lincoln Tower. You can reach an on call counselor when CCS is closed at 614--292--5766 and 24 hour emergency help is also available through the 24/7 National Suicide Prevention Hotline at 1--800--273--TALK or at suicidepreventionlifeline.org. Also, the OSU Student Advocacy Center is a resource to help students navigate OSU and to resolve issues that they encounter at OSU – visit http://advocacy.osu.edu/ .**

WEEKLY COURSE SCHEDULE

Week 1. Improving Decision-Making

Concepts
Thinking Fast and Thinking Slow
Problem Definition, Defining Objectives, Describing Alternatives and Consequences

Skill
Using a structured approach to improving decision-making

Reading
Hammond, Keeney and Raiffa, Chapters 1-5: "Making Smart Choices"

Assignment: Apply PRO-ACT to an important decision that your organization will need to make.

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Decision-making can be Select a decision that is important to your organization and apply the PRO-ACT approach.

Week 2. Rational Decision-Making I

Concepts
The Rational Approach to Decision-Making
Explicit and Implicit Models of Decision-Making
Values of Models
Expected Values

Skills
Calculating Expected Values
Creating Decision Trees to estimate risk and estimate benefits

Week 3. Rational Decision-Making II

Concepts
Sunk Costs
Opportunity Costs
Discount Rates
Transaction Costs

Skill
Multi-Attribute Utility Analysis (MAUT)

Reading:
Hammond, Keeney and Raiffa, Chapters 6: "Tradeoffs"

Assignment: Apply MAUT to a personal or organizational decision.

Even simple decisions require comparing several alternatives across a variety of objectives (price, durability, warranty, ease of use, etc.) These comparisons are not always straightforward. Multi-attribute utility analysis is a way that individuals and organizations can simplify these complex problems.

Week 4. Avoiding Psychological Traps

Concepts
Prospect Theory
"Nudge"
Kinds of Decisions That Need Public Support and Guidance
Heuristics that Bias Decision-Making (Availability, Representative (including heuristics that affect how diverse populations are seen), etc.)

Skill
Identifying Dysfunctional Heuristics and Ways to Overcome Them

Reading:
Nudge, Chapter 1, "Biases and Blunders" and Chapter 2, "Resisting Temptation"

Assignment: Identify a dysfunctional heuristic in your organization and a way to compensate for it.

Week 5. Group Decision-Making

Concepts
Social Pressures on Decision-Making
Supports for Group Decision-Making

Skills
Building Aids to Support Group Decision making

Readings
Nudge, Chapter 3, "Following the Herd"
Stone, "The Market and the Polis?

Assignment: Build a Model and Design a Protocol to Support Civil Engagement

Week 6. Systems Thinking – Understanding the Bigger Picture

Concepts
Linear vs. Systems Thinking
Mental Models

Skills
How to Apply Systems Thinking
How to Understand a Complex Problem Using Systems Dynamics

Readings:
Meadows, "Thinking in Systems", Chapter 1

Assignment: Understanding Systems - Exploring Problem Space and Solution Space

Week 7. Data-Driven Decision-Making and Analytics

Concepts
What is Data-Driven Decision-Making entail?
Why is Information Management important?

Skills
Designing A Data-Driven Decision-Making Organization

Readings:

Caudle, "Managing Information Resources in State Government"
MacAfee and Brynjolfsson, "Big Data: The Management Revolution"

Assignment (Written Paper): Identify a Strategy to Introduce a Data-Driven Approach for an Important Organization Decision.

CATALOG DESCRIPTION

Introduces students to research on decision-making and its practical application in the public and non-profit sectors. Draws on interdisciplinary scholarship that examines how people make decisions and considers the application of these insights and tools in the management of public and non-profit organizations.