



COURSE SYLLABUS

BEHAVIORAL INSIGHTS FOR BUSINESS AND FINANCE

Professor

Alexander Coutts

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Dates and times to be added

Office hours

I will be available immediately after each class, or by appointment.

SHORT BIOGRAPHY

Professor Coutts is an Assistant Professor at the Schulich School of Business at York University. His research focus is behavioral economics, using field and lab experiments to understand broad interactions between information, beliefs, and behavior. His work on motivated beliefs studies whether and how belief formation and updating can lead to overconfidence, optimism, and discrimination. His teaching experience includes courses on behavioral economics and finance, development economics, macroeconomics, and microeconomics; these have ranged from the undergraduate to doctorate level.

INTRODUCTION/COURSE DESCRIPTION

Many business textbooks assume that consumers and businesses make rational decisions: making optimal purchases, and maximizing profit. Instead, in this course we use insights from behavioral economics and finance to examine the biases that individuals hold to better understand decision-making. Through the study of real-world phenomena, such as market overconfidence and consumer habits, the course unveils the psychological facets of decision-making. Key insights gained will include understanding strategies that businesses employ in pricing and product positioning, as well as the impact of societal and digital transformations on consumer behavior and business strategies.

COURSE OBJECTIVES

The primary objectives of this course center around immersing students in the core concepts of behavioral economics and finance, particularly as they apply to individual behavior, business decision-making, and financial markets. Throughout the course, students are expected to:

- Develop an understanding of how insights from psychology can be applied to economics and business settings.
- Become familiar with a set of key behavioral biases which have been shown to affect decision making.
- Master the practical applications of these behavioral concepts, unraveling the ways they subtly shape both consumer and business decision-making landscapes.
- Sharpen analytical skills to discern contexts where decision making may be influenced by biased judgement.
- Communicate (written, verbal, and visual) insights to convey the consequential impacts of biased decision-making on real-world outcomes.

COURSE METHODOLOGY

This course involves a number of complementary methodologies. Central to the course is the engagement in rich discussions, drawing from selected readings and their practical applications in business and market realms. Lectures and discussions are complemented with short video material when appropriate, to illuminate key concepts and topics. Interactive in-class experiential activities are incorporated throughout the course, facilitating a deeper, practical understanding of the subject matter. Students are encouraged to actively participate in discussions, culminating in group presentations in the final classes, where the application of acquired concepts to real-world scenarios will be showcased.

EVALUATION SYSTEM

Evaluation will consist of class participation and discussion, one (group) presentation, and one final quiz which will cover all course material.

- The group presentation will involve presenting an idea that uses the concepts of behavioral economics and psychology which could be applied to a business setting. It can also be more academic oriented. The size of the groups and presentation time will depend on enrollment.
- Class participation and discussion is measured through in-class engagement as well as participation in offline content such as discussion posts using the course learning platform.
- The final quiz will consist of multiple choice and short answer questions.

The weight assigned to each of these is as follows:

Participation and class discussion	(35%)
Group presentations	(35%)
Final Quiz	(30%)

PROPOSED PREREQUISITES

There are no firm pre-requisites for the course. It is recommended that students have taken an intermediate microeconomics class.

COURSE POLICIES

Students should attend all classes, read the required readings, and be prepared to participate in class discussions. Any offline discussion posts should be made before the provided deadlines.

REQUIRED BIBLIOGRAPHY

There are no textbooks required for this course. Course readings, in the form of papers or journal articles will be provided to students on Bright Space (Bloque Neón).