

Course syllabus			
Course name:	Decision Making		
Study Programme group:	Cycle of studies:	Study type:	
	II cycle (master)	Full-time	
Study Programme name:	Finance and Accounting, Logistics, Marketing		
Specialisation:			
Electivity:	Elective course		
Course code:	Year of studies:	Semester:	Language of instruction:
	1/2	II/III	English
A. Course description:			
<p>Presentation of the essence of risk and uncertainty, methods of converting uncertainty into risk and risk management. Students will get knowledge of risk management process and how to implement risk in decision making process. The course includes quantitative approaches that support the process of decision-making in risk situation. The emphasis is put on decisions in business situations, although there are presented also non-financial decision situations (as well as multicriteria decision problems).</p>			
B. Prerequisites			
C. Learning outcomes:			Learning outcome code for the Study Programme
Knowledge	<ul style="list-style-type: none"> Acquire the knowledge about connections between finance and accounting and quantitative methods in the field of operational research and statistical data analysis. 		08F-2A_W01
	<ul style="list-style-type: none"> Has knowledge about different methods of risk analysis and risk management 		08B-2A_W11
	<ul style="list-style-type: none"> Is familiar with in-depth descriptive methods and tools appropriate for decision making in business 		08B-1P_W13
	<ul style="list-style-type: none"> Has ability to design and predict complex decision making processes using advanced methods and tools 		08F-2A_U04

	<ul style="list-style-type: none"> Has ability to use gained knowledge of decision making in business units with different organizational and legal forms, extended by its effectiveness and usefulness critical analysis 	08F-2A_U05
	<ul style="list-style-type: none"> Is able to give the correct interpretation of the economical, market and business phenomena, and recognize the mutual connections between them, in purpose to make the best decisions. 	08F-2A_U06
Attitudes	<ul style="list-style-type: none"> Is focused on using methods of risk analysing and decision making in real business situation 	08F-2A_K06
	<ul style="list-style-type: none"> Understands the need and importance of fulfilling ethical standards and professional behavior in the area of decision making, as well as initiating and promoting such attitudes 	08F-2A_K08
D. Course content:		Contact hours
Class type: Lecture		
Essence of risk and uncertainty		1
Process of decision making		2
Methods of risk measurement in decision making		2
Criteria of choice in risky situation (expected value)		1
Alternative criteria of decision making		1
Decision tree as a tool of decision making in risky situation		6
Risk profile as a tool of decision making in risky situation		2
Value of information. Expected value of perfect information		4
Probability in decision making. Conditional probability.		2
Expected value of imperfect information		3
Multiple criteria decision problems.		3
Risk attitudes. Utility criterion in decision making		3
E. Assessment methods and criteria:		

Positive final grade requires:

- two written assignments (first – in the middle of the course, second – at the end of the course)
- active participation in lecture,
- presentation (prepared and presented).

Final grade for the course is calculated as follows:

- very good – above 90%
- better than good – above 80%
- good – above 70%
- better than satisfactory – above 60%
- satisfactory – above 50%

It is not possible to get a positive grade with absence over 30% of total contact hours.

F. Teaching methods:

- Discussion-oriented lecture
- Informative lecture
- Case study

G. Literature:

Obligatory readings:

- K.T. Marshall, R.M. Oliver, „Decision Making and Forecasting”, McGraw-Hill, 1995
- presentations and other materials prepared by the lecturer

Supplemental readings:

- R.T. Clemen, T. Reilly, Making Hard Decisions with DecisionTools[®], Duxbury Thomson Learning, 2001
- P. Goodwin, G. Wright, Decision Analysis for Management Judgment, 4th Edition, Wiley 2010

H. Supplementary information: