

The Art and Craft of Decision Making

PGP (Elective) 2015-16 (Slot 11 and 12)

20 sessions (1.0) credit

Instructors: N. Ravichandran, Sundaravalli N

Introduction to the course

Management profession is characterized by bias for action. Decisions precede action framework. Every complex managerial decision requires a judicious consideration of the context, the data, consequences, risks and diverse perspectives of stakeholders. The purpose of this course is to discuss and understand decision making in multiple perspectives from the realms of operations research, artificial intelligence, human capabilities and behaviour.

The course is designed in modules related to structuring a problem, managing uncertainties in the context of decision making environment, tactical decisions, factoring multiple stake holders' perspective, exposure to the complexity of decisions in public domain and behavioural aspects of decision making.

Learning Objectives:

- To structure a problem, generate alternatives and recommend a choice.
- To appreciate the sources of risk (in a decision making context) and approaches to mitigate the same.
- To appreciate the decision choices and the consequences from multiple stakeholders' point of view in tactical and strategic decisions.
- To examine and understand individual's perceptions and beliefs related to decision making

Evaluation scheme:

Mid-term:	40%
Assignments (3X15):	45%
Class participation:	15%

Class size: Maximum 30 (Restricted only to PGP)

Module 1: Problem Structuring

Session 1	Topic Case	Problem Structuring Vidyarthi Transport Corporation (IIMA / QM 225)
Session 2	Topic Case	Problem Structuring Managing the Outpatient Department waiting Time at Rajas Eyes Hospital - Indore Management Journal, Volume 4 Issue 1, April- June 2012 , pp-36-46.
Session 3	Topic Case	Problem Structuring Discount Coupons at BFL: A Privilege to Shareholders or A Means to Erode Shareholders' Wealth?' (ECCS case: 315-137-1 / 2015)

Module 2: Managing Uncertainty and Risks

Session 4	Topic Case	Managing Uncertainty Robins Abrasives (ICH C40-sc/79RI)
Session 5	Topic Case	Managing Uncertainty Robins Abrasives (ICH C40-sc/79RI)
Session 6	Topic Case	Managing Risks Project Portfolio Management at Novartis Pharma (London Business School: July 2004)

Module 3: Tactical Decisions

Session 7	Topic Case	Tactical Decisions The Chattanooga Ice-cream Division (HBS: 9-498-001)
Session 8	Topic Case	Tactical Decisions Sombrero: Proposed Fruit Juice Outlet (Ivey: 909B01)

Module 4 - Stakeholders Perspective

Session 9	Topic Case Reading	Stakeholders Perspective Select the best for Army Chief (H.K. Dua article) WRIT PETITION (CIVIL) NO(s). 26 OF 2012 in the Supreme Court of India
Session 10	Topic Case	Stakeholders Perspective Tara's Dilemma - To litigate or otherwise (Case center, UK2014)

Session 11	Topic Case	Multifunctional Perspective and Decisions Shree Cements Limited: Towards an Operational Solution (C): IIMA / Prod 260
Session 12	Topic Case	Multifunctional Perspective and Decisions Shree Cements Limited: From Operational Solution to Efficient Systems (D): IIMA /Prod 260
Session 13	Topic Case	Stakeholders Perspective Employee background verification System: Implementation Challenges, Indore Management Journal, Volume 3 Issue 4, January -March 2012, pp-47-49.

Module 5 - Public Policy Decisions

Session 14	Topic Case	Public Policy Decisions OBC Quota in Indian Institutes of Higher Education: A Cause for Concern or an Opportunity to Lead Social Change? (IIMA/BP0322)
Session 15	Topic Case	Public Policy Decisions Euthanasia: Should it be Lawful or Otherwise - Indore Management Journal, Volume 2 Issue 2, July- September 2010, pp-55-65
Session 16	Topic Case	Public Policy Decisions Road Building or Road Pricing (HKU 655)

Module 6 - Behavioural Perspectives and Decisions

Session 17	Reading	Chapter 5: Cognitive Ease (DK)
Session 18	Reading	Chapter 7: A Machine for Jumping to Conclusions (DK)
Session 19	Reading	Chapter 17: Regression to the Mean (DK) Chapter 18: Taming Intuitive Predictions (DK)
Session 20	Reading	Chapter 25: Bernoulli's errors (DK)

Note: Module 6 does not have cases; it is based on discussions of few select chapters of the book [1]

References:

1. [DK] Daniel Kahneman, *Thinking, Fast & Slow*, Penguin Books (2011)