ISQS 5330
Discussion Notes – "When Combined Data Reveal the Flaw of Averages" Article

1. What is Simpson's Paradox? How does it work?

2. What are some examples of the paradox cited in the article?

ISQS 5330
Discussion Notes – "Trust an Algorithm with Your Business" Article

1. What does the author mean by an "algorithm" in this article? (Note that in academic research, an "algorithm" is usually referred to as a "linear model.")

2. How do algorithms generally perform on decision-making tasks when compared with human decision makers?   What are the reasons for the differences in performance?

3. What are the best decision-making contexts for using algorithms? What are the best contexts for using humans?

ISQS 5330
Discussion Notes – "Why 2020 Has Been Rotten for Quant Funds" Article

1. What is a "quant fund"? How does it operate? What does it require for success?

2. How have quant funds' performance compared to index funds and actively-managed investment funds in 2020? What reasons are given for any differences?

3. Are there important differences between chess and investing that may account for performance differences for people and machines in the two contexts? If so, describe such differences.
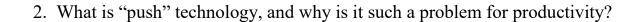
4. What do *you* think the future will hold for algorithms in investment contexts?

ISQS 5330
Discussion Notes – "At UPS, the Algorithm is the Driver" Article

1. How are algorithms helping UPS with its deliveries?

2. "Can a human really think of the best way to deliver 120 stops"?

3. Why are small improvements in route efficiency more important to UPS now than they were 15-20 years ago? What is different about their deliveries?

4. What is the biggest challenge to implementing UPS' Orion system?

5. What are the weaknesses of the Orion system, or any system like it?

ISQS 5330
Discussion Notes – "Justice by the Numbers" Article

1. How are linear models being used to make parole decisions in many states?

2. What have been some of the impacts of the use of these models?

3. Why, in theory, would we expect fewer errors to be made by linear models than by human judges?

4. What assumptions underlie the use of such models, and what trade-offs do we as a society need to accept?

ISQS 5330
Discussion Notes – "The Distraction-Industrial Complex" Article

1. What are the consequences of interruptions on productivity?

2. What is "push" technology, and why is it such a problem for productivity?

3. What is "ego depletion"? Why is it a problem?

4. What is the main take-home message from this article?

ISQS 5330
Discussion Notes – "Brain Hack" Article

1. What is "brain hacking"?

2. What are developers of applications doing to keep people engaged with their online products?

3. What is the science behind keeping people engaged?

Discussion Notes – "Brain Hack" Article (cont).

4. What are the dangers for people from the types of engagement discussed by the experts in this article?

5. What should people do to avoid having their brains hacked?

ISQS 5330
Discussion Notes – "The Biggest Distraction in the Office" Article

1. What is the biggest distraction in the office?

2. What are the consequences of interruptions on a person's psyche?

3. What are the data on error rates after interruptions?

4. How long does it take to resume a task following an interruption?

5. How do people and organizations fight against interruptions?

ISQS 5330
Discussion Notes – "Why a Leading Professor of New Media" Article

1. Why did Prof. Clay Shirky recently ban the use of technology in his classes?

2. What is the problem with "multi-tasking"?

3. Both the "Distraction-Industrial Complex" and this article make a point about the incentives for online "distractors." What is that point?

4. What is the problem for people who are nearby others using technology in the classroom?

ISQS 5330
Discussion Notes – "Ditch the Laptop and Pick Up a Pen" Article

1. Why is taking handwritten notes more effective typing them on a computer?

2. What evidence do researchers provide for why this is true? What outcomes are better with handwritten notes?

ISQS 5330

Discussion Notes – "About Time: Regulation Based on Human Nature" Article

1. What is the author's central thesis in this article?

2. What is meant by a "choice architecture"? How does this architecture affect decision making?

ISQS 5330
Discussion Notes – "Ignoring the Yes-Man in Your Head" Article

1. What is the primary bias the author discusses in this article? What are the main dangers of the bias?

2. What strategies does the author suggest to avoid the bias? How well do you believe they would work?

ISQS 5330
Discussion Notes – "Do You Know What Your Time is Really Worth?" Article

1. What is the author's main point in this article?

2. How does the author discuss monetary value and utility?   What are her conclusions?

ISQS 5330
Discussion Notes – "When Superstition Works" Article

1. Describe the relationship between superstition and the illusion of control over situations.

2. What are the psychological underpinnings of superstitions?

3. How can superstitious behavior be reduced?

4. What are some of the consequences of superstitions?

5. How can a golf ball be "lucky"?

ISQS 5330
Discussion Notes – "What Investors Can Learn from Gamblers" Article

1. What is the author's main point in the article? What can investors learn from gamblers? Is what they learn good or bad?

2. What cognitive or motivational bias is illustrated in the article?

3. What is the allure of lotteries? What disconnects playing lotteries from economically rational thinking?

ISQS 5330
Discussion Notes – "The Panic of 2020? Oh, I Made a Ton of Money—And So Did You" Article

1. What is the primary bias Jason Zweig discusses in this article?

2. According to the author, why does this bias occur?

3. What evidence does Zweig cite to support the existence of the bias?

4. What can be done to mitigate this bias? Discuss at least two potential mitigation strategies.

ISQS 5330
Discussion Notes – "Stocks Are in Chaos. Control the One Thing You Can." Article

1. What is the main bias Jason Zweig discusses in this article?

2. What does Zweig say about the relationship of this bias to the default and non-default options bias and the status quo bias?

3. What does Zweig say about reducing this bias? Name and describe at least two specific mitigation strategies.

ISQS 5330
Discussion Notes – "The Law of Supply and Demand Isn't Fair" Article

1. What is the major problem Richard Thaler describes in this article?

2. Describe the conflict between fairness and supply and demand.

3. How should businesses (and governments) respond to fairness concerns of their customers (and citizens)? What is the best option? Does it depend? If so, upon what does it depend?

4. Is there a problem with the economically rational model, in which prices should be raised in response to the smaller supply, apart from the fairness issue? Consider the implied "debate" between Tyler Cowen and Richard Thaler in the article.

ISQS 5330
Discussion Notes – "The Debt to Pleasure" Article

1. What are the main differences between the ways economists view decision makers and other disciplines (e.g., behavioral, social, and biological sciences) view decision makers?

2. What are problems with the ways economists view judgment?

3. What are problems with the ways economists view choice?

ISQS 5330
Discussion Notes – "How You Make Decisions" Article

1. What are "maximizers" and "satisficers"?

2. Among the two groups, who usually lands better jobs?

3. Among the two groups, who is usually happier? Why?

4. If a maximizer and a satisficer have to make a decision together, who should have the final say?

ISQS 5330

Discussion Notes – "In High-Stakes Decisions, Sometimes You Just Have to Go With Your Gut" Article

1. What is the difference between making decisions based on objective analysis and based on "intuition?"

2. Is it ever a good idea to make decisions using intuition? Why or why not?

3. When your gut speaks, should you listen? If so, when? If not, why not?

ISQS 5330
Discussion Notes – "Three Worst Words of Stock Market Advice" Article

1. How do people generally forecast the future direction of stock prices? Why is this a mistake?

2. The author argues that one's "gut instinct" is tied to emotions and expectations about an event, in this case the recent movement of stock prices. Note the connection to System 1 thinking.

3. How does a person enhance his or her chances of becoming a contrarian investor and potentially increasing future returns?

ISQS 5330
Discussion Notes – "Brainstorming Works Best if People Scramble for Ideas on Their Own" Article

1. What are the criticisms of group brainstorming that are discussed in the article?

2. What does research show about the quality of group brainstorming?

3. What can be done to improve brainstorming outcomes?

ISQS 5330
Discussion Notes – "The Abilene Paradox: The Management of Agreement" Article

1. What experience prompted the author to identify and name "The Abilene Paradox"?

2. What is the "Abilene Paradox"?

3. What potential problems does the paradox cause in group work?

4. What are potential problems for organizations when groups suffer from the paradox?

5. What can be done to overcome the paradox?

ISQS 5330
Discussion Notes – "Best Buy Taps Prediction Market" Article

1. How does Best Buy utilize the opinions of many people to help it make decisions?

2. What is a "prediction market"? How does one work? What are its advantages? Do you know of any other companies or organizations that utilize prediction markets?

3. Is there any evidence that Best Buy's approach is able to harness "the wisdom of crowds"?

4. Did you identify any problems with the way Best Buy is using its social technologies (e.g., its bulletin board)?

ISQS 5330
Discussion Notes – "California's Experiment in Football Crowdsourcing" Article

1. How did the offensive coordinator of the University of California football team, Tony Franklin (note: Mr. Franklin has since moved to Middle Tennessee State University), use crowdsourcing to help create ideas for the California offense?

2. Why, in theory, should Mr. Franklin's effort be successful? Did it work for him? If so, how?

3. What lessons for group decision making can be taken from this article?

ISQS 5330
Discussion Notes – "You Have to Negotiate For Everything in Life, So Get Good at It" Article

1. To negotiate well, which skills are important and which are not important? What strategies can a person use to increase negotiating skill and/or success?

2. What are the main mistakes people make in negotiating according to the article?

ISQS 5330
Discussion Notes – "Tuning Out" Article

1. What are the problems with "tuning out" during conversations?

2. How do people "tune out"?

3. How can listening help when working with others, whether in teams or in negotiations?

4. What are some strategies for listening better?

5. What are some of the general advantages of better listening?

ISQS 5330
Discussion Notes – "The Case for Pessimism" Article

1. According to the author, what are the advantages of pessimism for business and for people generally?

2. What are the disadvantages of optimism?

3. In your opinion, is pessimism in the workplace something to be encouraged, just tolerated, or discouraged?

ISQS 5330
Discussion Notes – "Shhhh" Article

1. What is an "introvert" and what is an "extrovert"? Why is this distinction relevant to decision making?

2. According to the author, what are some of the barriers preventing introverts from reaching their full potential in workplace environments?

3. What can and is being done to improve the working environment for introverts?

4. What can introverts do to improve their workplace performance?