

## **Behavioral Decision Making**

**Saeid Hoseinzade**

**Saeid.hoseinzade@bc.edu**

*“Life is About Choices and the Decisions We Make”*

**Tim Maher**

Decision making is a process we are dealing with every day, consciously or unconsciously; in our job or in our personal life. Some decisions are more important, some are less. So it is worth trying to analyze how we come up with a certain decision; what factors affect the process of making a decision and consequently the outcome. Are we always rational in decision making? If not, what are the biases (errors) usually embedded in decision making process? How do we make decisions under uncertainty? What is the role of information we have at the time of making decision and afterwards when uncertainty is resolved? How can we make the most of knowing how others make decisions when we are in a competitive environment?

These issues as well as some theoretical and empirical foundations of decision theory form the topics we cover in this crash course.

Topics will be covered:

- A brief introduction to decision theory
- Why behavioral decision analysis?
- An overview of psychological aspects of decision making
- Biases in decision making
- Behavioral models of decision making
- Some empirics of behavioral decision making in different fields of business/management