Discipline	**MANAGERIAL DECISION MAKING** code: 36 semester – **summer**	
Specialty	INDUSTRIAL MANAGEMENT	
ECTS credits: **6**	Form of assessment: Continuous Assessment	
Lecturer	Assoc. Prof. Eng. PhD Tanya Panayotova, Room 508 Phone: +35952383682. E-mail: t_panayotova@tu-varna.bg	
Department	INDUSTRIAL MANAGEMENT	
Faculty	FACULTY OF MECHANICAL ENGINEERING AND TECHNOLOGIES	

Learning objectives:

Throughout their personal and professional lives, managers have to take many decisions. The purpose of this course is to familiarize you with problems associated with unaided managerial decision making, but also with decision aiding tools aiming to overcome these problems. Students will also obtain an understanding of the thinking processes that underlie judgment and decision making, and its systematic errors and biases.

The course will be organized in two parts. (1) The first part will focus on the psychology of judgment and decision-making. You will be familiarized with psychological research demonstrating that humans have bounded rationality and are susceptible to systematic errors and biases. We will briefly cover the heuristics and biases approach and prospect theory. (2) The second, more substantial, part concerns decision aiding tools. You will be presented with structured decision aiding techniques that aim to improve the quality of managerial decisions. Their core concept is simplification, breaking a complex problem into a number of simpler problems. For each technique, you will be presented with the steps it involves and how to apply it to real-life problems.

CONTENTS:

Training Area	Hours lectures	Hours laboratory exercises
1. The nature of managerial decision making. Types of problems decision makers face. Differences in decision making situations. Models of decision making. Steps in an effective decision making process. Overcoming barriers to effective decision making. Managing diversity: group decision making.	2 hours	1 hours
2. The act of making up your mind about something, or a position or opinion or judgment reached after consideration. The process of selecting from several choices, products or ideas, and taking action.	2 hours	1 hours

3. Four Functions of Management. An effective decision making.	2 hours	1 hours
4. Four Functions of Management . Planning, Goals, Organizing Controlling, Working together, Monitor & measure Leading Coordinate.	2 hours	1 hours
5. Types of problems decision makers face. Crisis. Non-Crisis. Opportunity Problems.	2 hours	1 hours
6. Differences in decision making situations. Programmed Decision. Non-Programmed Decision Making.	2 hours	1 hours
7. Three Levels of Management. Top Managers. Middle Managers. First-line Managers. Non-management	2 hours	1 hours
8. Three Levels of Management Comparison of Decision making situation and management levels	2 hours	1 hours
9. Three Stages of the Planning Process Determining the Organization's mission and goals (Define the business), Strategy formulation (Analyze current situation & develop strategies), Strategy Implementation (Allocate resources & responsibilities to achieve strategies).	2 hours	1 hours
10. Models of decision making. Rational Model. Most popular type of mode. Based around a cognitive judgment. Pros and cons of various options. Non-Rational Models . Satisficing Model. Incremental Model. Garbage-Can Model.	2 hours	1 hours
11. Models of decision making cont. Satisficing Model. Managers seek alternatives. Incremental Model. Managers make the smallest response possible.	2 hours	1 hours
12. Models of decision making cont. Garbage-Can Model.	2 hours	1 hours
13. Steps in an effective decision making process. Four steps for effective decision making.	2 hours	1 hours
14. Overcoming barriers to effective decision making. Means of overcoming D.M. barriers. Accepting the problem challenge. Searching for sufficient Alternatives. Recognizing common Decision Making Biases. Avoiding the Decision Escalation Phenomenon.	2 hours	1 hours
15. Managing diversity. Group Decision Making. Decision Making by more than one person.	2 hours	1 hours
TOTAL: 60. h	**30**	**15**