**Decision Making, Negotiation and Leadership**

Prof. Domenico Bodega; Prof. Fabrizio Panebianco

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The main course topics – decision making, negotiation and leadership - represent intangible managerial processes that have assumed an increasingly important weight and role in modern economy and in relationships between economic agents - be they individuals, businesses, or institutions. Scientific literature has also examined them, and continually revisits these processes updating theories and practices.

The course aims to answer the following questions: what are the choices (either rational or irrational) that lead to a satisfying decision making process? What is the best way to interact with other economic actors who, in turn, try to make these decisions? What are the features of an effective negotiation? How can leadership behaviours be recognised? What are the conditions for an effective action of leadership in complex organisations?

At the end of the course, students will be able to:

1. understand the key concepts of the rational choice theory updated by economics, and therefore distinguish the “rational” part of choices from the irrational components involving deviations from the standard theory;
2. apply the rational choice theory proposed by the analysis of business and economic case studies, and reduce a complex matter of choice to its essential terms in order to simplify the analysis of the choice to take;
3. assess the quality of the choices that economic actors can take in different contexts;
4. use an appropriate economic jargon, both in Italian and English, to communicate clearly with specialist and non-specialist audiences;
5. lay the basis for further studies of the theories that guide economic choices in complex contexts.

***COURSE CONTENT***

Module I: *Leadership* (Prof. Domenico Bodega)

The module will study issues related to responsibility for decision making and negotiating in modern companies. It will tackle the main theories on leadership, and will analyse the different decision-making styles and the principal skills needed for managerial and leadership roles. Finally, the module will identify the criteria needed for evaluating the effective manifestation of leadership processes and will pinpoint systematic errors on the part of bodies governing the business of small and large organisations.

Module II: *Decision-making processes* (Prof. Fabrizio Panebianco)

The module studies the economic theory underlying the behaviour of economic agents and their decision-making processes. This requires scientifically studying the relationships between economic agents and, in particular, the rational and irrational reasons that have led to such relationships. The interaction between economic agents will be analysed using the tools of behavioural decision theory (in conditions of uncertainty), spread of knowledge in social networks theories and game theory. With regard to the latter, the course examines how economic agents can benefit from their capacity to opportunely change the "game" that they will then be required to develop in negotiation and guidance processes with respect to other economic agents.

***READING LIST***

Module I

Aa.Vv., *La Negoziazione,* Harvard Business School, ETAS Libri, Milan, 2003.

D. Bodega, *Le forme della Leadership,* ETAS Libri, Milan.

Per il secondo modulo

A. Dixit-J. Nalebluff, *L’arte della strategia,* TEA, 2010.

Articles, case studies, and further material will be made available in class and online on Blackboard for the students enrolled in the course.

***TEACHING METHOD***

The course will be taught through lectures and the analysis of business cases through class discussions and class presentations.

***ASSESSMENT METHOD AND CRITERIA***

Students attending class on a regular basis.

The final grade will ensue from a written exam based on the student’s knowledge of the main theories and models dealt with in class, in addition to the analysis of cases studies. Such written examination must necessarily take in the first call of the winter session.

Students not attending class on a regular basis.

The final grade will ensue from one written exam based on the contents of the readings.

The *assessment criteria* will be the following:

– sound knowledge of the different contents of this course;

– ability to create connections between the different contents within a united systemic vision;

– ability to reformulate the contents learned during the course through the analysis of case studies and real situations;

– clarity, relevance, and completeness while explaining the topics learned during this course;

– completeness and accuracy of the analysis;

– ability to recognise essential elements;

– ability to carry on relevant discussion on the topics learned during the course.

***NOTES AND PREREQUISITES***

The instructional and learning process is dynamic and requires the student's active participation. Regular class attendance is strongly recommended.

The course content is intended for Master’s degree students, who are supposed to have a basic knowledge of game theory and company management and administration.

Students who don’t meet these prerequisites will be asked to acquire this knowledge through individual study, so that they can actively take part to this course.

Further information can be found on the lecturer's webpage at http://docenti.unicatt.it/web/searchByName.do?language=ENG, or on the Faculty notice board.