

Module name	Behavioural and Experimental Finance I
Studies cycle	full-time Bachelor
Semester	Winter
ECTS	2
ECTS points hour equivalents	<p>Contact hours (work with an academic teacher) - 15</p> <p>Total number of hours with an academic teacher - 15</p> <p>Number of ECTS points with an academic teacher - 1</p> <p>Non-contact hours (students' own work) - 10</p> <p>Total number of non-contact hours - 10</p> <p>Number of ECTS points for non-contact hours - 1</p> <p>Total number of ECTS points for the module - 2</p>
Website	www.umcs.pl/en/
Language of instruction	English
Short description	<p>The module covers the knowledge in the area of behavioural mechanisms of financial and economic decisions. The latest developments and findings in the field of Behavioural Finance (BF) are discussed as well as possible applications in practice of economics, finance and business. Heuristics, biases and common irrationalities in decision-making are discovered by students participating in tests, games and experiments. Participants design an experiment and collect data on financial behaviours or believes that are subject to cross-country comparison. Module can be considered as introduction to "Behavioural and Experimental Finance II" with more extensive data analysis on financial behaviour mechanisms focused on psychological aspects.</p>
Full description	<p>The lecture covers the following issues:</p> <ol style="list-style-type: none"> 1. The origin and development of BF. 2. Rationality, quasi-rationality and irrationality. 3. Prospect Theory. 4. Heuristics, cognitive and emotional biases. 5. Applications of BF. 6. Experiments in financial behaviours. 7. Project of experiment and data collection: different people - the same behaviour?
Reading list	<ol style="list-style-type: none"> 1. Kahneman D., <i>Thinking, Fast and Slow</i>, Farrar, Straus and Giroux. 2. Schiller R. <i>Irrational Exuberance</i>, Princeton University Press. 3. Shefrin H. <i>Beyond Greed and Fear: Understanding Behavioral Finance and the Psychology of Investing</i>, Oxford University Press. 4. Thaler R. <i>The Winner's Curse: Paradoxes and Anomalies of Economic Life</i>, Princeton University Press. 5. Scientific articles emailed by lecturer or on-line available.
Educational outcomes	<p>KNOWLEDGE</p> <ol style="list-style-type: none"> 1. K_W19: The origin and developments of BF. 2. K_W06: Knowledge on mechanisms of consumer, entrepreneur, investor decisions. <p>SKILLS</p>

	<ol style="list-style-type: none"> 1. K_U05: Practical application of behavioral mechanisms in economics, finance and business. 2. K_U06: Designing and executing experiments in BF <p>ATTITUDES</p> <ol style="list-style-type: none"> 1. K_K03: Ready to active participation in groups, organizations and institutions that provide economic activities. 2. K_K05: Ability to act as rational decision-maker.
Assessment methods and criteria	50% - Lecture participation and activity; design, execution, data analysis and presentation of on-line experiment 50% - Online test of knowledge
Teaching methods	lecture, experiment, case study, role playing, discussion
Educational outcomes verification methods	Assessment of activity during contact hours Assessment of experiment design and execution Short presentation of experiment results Test of knowledge
Prerequisites	Basic knowledge of economics and finance.
Comments	
Type of classes	Lecture
Academic teacher	dr Mariusz Kicia
Number of hours	15
Reading list	<ol style="list-style-type: none"> 1. Kahneman D., <i>Thinking, Fast and Slow</i>, Farrar, Straus and Giroux. 2. Schiller R. <i>Irrational Exuberance</i>, Princeton University Press. 3. Shefrin H. <i>Beyond Greed and Fear: Understanding Behavioral Finance and the Psychology of Investing</i>, Oxford University Press. 4. Thaler R. <i>The Winner's Curse: Paradoxes and Anomalies of Economic Life</i>, Princeton University Press. 5. Scientific articles emailed by lecturer or on-line available.
Educational outcomes	<p>KNOWLEDGE</p> <ol style="list-style-type: none"> 1. K_W19: The origin and developments of BF. 2. K_W06: Knowledge on mechanisms of consumer, entrepreneur, investor decisions. <p>SKILLS</p> <ol style="list-style-type: none"> 1. K_U05: Practical application of behavioral mechanisms in economics, finance and business. 2. K_U06: Designing and executing experiments in BF <p>ATTITUDES</p> <ol style="list-style-type: none"> 1. K_K03: Ready to active participation in groups, organizations and institutions that provide economic activities. 2. K_K05: Ability to act as rational decision-maker.
Assessment methods	

A list of topics	<ol style="list-style-type: none"> 1. The origin and development of BF. 2. Rationality, quasi-rationality and irrationality. 3. Prospect Theory. 4. Heuristics, cognitive and emotional biases. 5. Applications of BF. 6. Experiments in financial behaviours. 7. Project of experiment and data collection: different people - the same behaviour?
Teaching methods	lecture, experiment, case study, role playing, discussion
Type of classes	
Academic teacher	XXXXXXX
Number of hours	
Reading list	
Educational outcomes	KNOWLEDGE SKILLS ATTITUDES
Assessment methods	
A list of topics	
Teaching methods	
Type of classes	
Academic teacher	
Number of hours	
Reading list	
Educational outcomes	
Assessment methods	

A list of topics	
Teaching methods	