

Basic information about the subject (independent of the cycle)

Module name	Behavioral Finance
Erasmus code	PL LUBLIN01
ISCED code	0412, 0313
Language of instruction	English
Website	http://www.umcs.pl/pl/courses-in-english_1984.htm
Prerequisites	Basic knowledge of economics and/or finance.
ECTS points hour equivalents	Contact hours (work with an academic teacher): 30 Total number of hours with an academic teacher: 40 Number of ECTS points with an academic teacher: 3 Non-contact hours (students' own work): 40 Total number of non-contact hours: 40 Number of ECTS points for non-contact hours: 3 Total number of ECTS points for the module: 6
Educational outcomes verification methods	Activity during contact hours Design and execution of experiments Presentation of results On-line test of knowledge
Description	The module covers knowledge in the area of behavioral mechanisms of financial and economic decisions. The latest developments and findings in the field of Behavioral 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 experiments and collect data on financial behaviors or believes that are subject to cross-country comparison.
Reading list	• Kahneman D., <i>Thinking, Fast and Slow</i>, Farrar, Straus and Giroux. • Schiller R. <i>Irrational Exuberance</i>, Princeton University Press. • Shefrin H. <i>Beyond Greed and Fear: Understanding Behavioral Finance and the Psychology of Investing</i>, Oxford University Press. • Thaler R. <i>The Winner's Curse: Paradoxes and Anomalies of Economic Life</i>, Princeton University Press. • Scientific articles provided by lecturer or on-line available.
Educational outcomes	KNOWLEDGE K_W19: The origin and developments of BF. K_W06: Knowledge on mechanisms of consumer, entrepreneur, investor decisions. SKILLS K_U05: Practical application of behavioral mechanisms in economics, finance and business. K_U06: Designing and executing experiments in BF ATTITUDES K_K03: Ready to active participation in groups, organizations and institutions that provide economic activities. K_K05: Ability to act as rational decision-maker.
Practice	n/a

Information about classes in the cycle

Website	www.umcs.pl/en
Educational outcomes verification methods	Activity during contact hours Design and execution of experiments Presentation of results On-line test of knowledge
Comments	
Reading list	• Kahneman D., <i>Thinking, Fast and Slow</i>, Farrar, Straus and Giroux. • Schiller R. <i>Irrational Exuberance</i>, Princeton University Press. • Shefrin H. <i>Beyond Greed and Fear: Understanding Behavioral Finance and the Psychology of Investing</i>, Oxford University Press. • Thaler R. <i>The Winner's Curse: Paradoxes and Anomalies of Economic Life</i>, Princeton University Press. • Scientific articles provided by lecturer or on-line available.
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A list of topics	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. Experimenting in behavioral finance and economics. 7. Project of experiment "Different countries - the same behavior?": idea, procedure, data collection, analysis, results, discussion
Teaching methods	lecture, experiment, case study, role playing, discussion
Assessment methods	50% - Design of research experiment(s) (CAWI survey), data analysis and presentation of results 30% - Online test of knowledge 20% - Participation and in-class activity