

Argosy University
COURSE SYLLABUS
PA6522
The Intricacies of Decision Making

Faculty Information

Faculty Name:

Campus:

Contact Information:

Office Hours:

Short Faculty Bio:

Course description: This course explores the dynamics of the decision making process from a behavioral and analytical perspective. Students will apply formal decision making methodologies to complex situations. Student will also learn how effective and timely decisions affect solutions to complex problems and how ineffective decision making and decision traps can obfuscate, impede or delay decisions, resulting in real and intrinsic losses.

Course Pre-requisites: PA6016 State, Local, and Federal Governments

Required Textbook:

IMPORTANT: You are required to purchase the textbook for this course.

Ammons, David N. (2008). *Tools for decision making: A practical guide for local government* (2nd ed). CQ Press. ISBN: 0872895971, 9780872895973

Required Articles:

Cassia, F.(2008). Citizen surveys impact on decisions on decisions in local government. *Journal of Services Research*, 8(1), 109-122.

Gladwell, M. (2005) *Blink, The Power of Thinking Without Thinking*, 1st Ed. Little, Brown and Company. ISBN: 0-316-17232-4

Jenssen, S. (2008). Deliberative Democracy in Practice. *Acta Politica*, 43(1), 71-92.

Kaplan, R. S. & Norton, D. P. (2007). Using the Balanced Scorecard as a Strategic Management System. *Harvard Business Review*, July – August 2007

London, K., & Cadman, K. (2009). Impact of a Fragmented Regulatory Environment on Sustainable Urban Development Design Management. *Architectural Engineering and Design Management*, 5(1/2), 5-23.

Martin, R. (2007), How Successful Leaders Think Harvard Business Review, June 2007.
Pp. 60-67

Price, M.C. (2008). Intuitive decisions on the fringes of conscious and does it matter? *Judgment and Decision Making*, Vol. 3, No. 1,

Snowden, David J. and Boone, Mary E. A Leader's Framework for Decision Making Harvard Business Review, Nov. 2007

Course length: 7.5 Weeks

Contact Hours: 45 Hours

Credit Value: 3.0

Program Outcomes:

1. **Communication:**
 - a. Communicate the roles and limitations of government at any level (federal, state, local) in specific circumstances.
2. Deliver oral, visual, or written presentations to educate or promote projects to diverse audiences.
3. **Analytical problem solving:** Gather information, discern gaps, develop, and evaluate possible solutions and alternatives regarding political, social, and financial costs and benefits of public sector initiatives.
4. **Leadership and motivation:**
 - a. Generate shared goals and lead internal and external stakeholders toward those goals.
 - b. Motivate employees and other stakeholders to perform consistent with the mission of the relevant work unit.
5. **Tactical Management:** Execute duties and responsibilities such as: evaluate and supervise employees, reinforce organizational mission, and manage unit budgets. (*indirect measures*)
6. **Interpersonal Effectiveness:**
 - a. Establish, build, and sustain effective working relationships with relevant parties to achieve organizational goals.
 - b. Exemplify and teach ethical values and behavior

Course Objectives:

1. Evaluate decision making models to ensure proper issue identification and generation of alternative solutions
2. Examine interaction of intuitive biases and data analysis in making complex decisions
3. Evaluate various analytic tools to help accelerate and enable good decision making
4. Analyze the affect of uncertainty on the speed and effectiveness of decision making while increasing risk
5. Apply formal decision making methodologies to formulate and implement public policy.

Activities/Assignments/Assessments Table

Unit	Topics	Readings	Assignments
1	<p>Introduction to the Decision Making Process</p> <ul style="list-style-type: none"> • Analyze and Define the Problem • Identifying alternative solutions 	<p>Text: Ammons, David N. (2008). <i>Tools for decision making: a practical guide for local government (2nd ed)</i>. Part I: Introduction</p>	<p>Discussion/Participation Assignment: Pick two articles from the popular press on public issues that have been decided upon in the last few weeks. The issues can be great or small. Look critically at how the decision was made and analyze whether there is sufficient evidence to evaluate the decision as “right” or at least “good”. What do you need to have demonstrated to you to make this evaluation?</p> <p>Lecturette: More and more often, it seems, we here people say “there aren’t right and wrong answers to this, just different answers.” With a handful of exceptions, the statement is largely nonsense. There may not be a perfect decision and there may be no decision that doesn’t cause problems for some people, but at minimum there are better decisions and worse decisions. In shorts, the technical “rightness” of a decision does matter.</p> <p>Without doubt, identifying the right</p>

			<p>decision is much easier if there are only two options. And the private sector generally faces easier decisions (though not easy decisions) since there is a final and clear definition of success (at least in a free market economy). That is, not all stakeholders have equal financial claims and the private sector leadership is bound by fiduciary obligations to the shareholders/owners of the firm.</p> <p>In the public sector, managers do have fiduciary responsibilities but have many other competing claims in terms. For example, the mental health community must consider the costs of services to taxpayers, the benefit of the service to the clients (regardless of how the services are funded), and the safety of the community at large.</p> <p>This class will focus on trying to identify the “best” decisions from a technical standpoint. This is a necessary step for the public sector manager – but it is not sufficient. The best answer is not useful if it isn’t implemented well. In addition, if the various stakeholders of the public sector don’t perceive the solution as acceptable, the technical merits become irrelevant. But other classes will focus more heavily on communicating with stakeholders and managing the ever-present political process of the public sector.</p>
2	<p>Decision Tools and Models</p> <ul style="list-style-type: none"> Utilizing Decision Tools to Evaluate the Evidence 	<p>Text: Ammons, David N. (2008). <i>Tools for decision making: a practical guide for local government (2nd ed)</i>. Part II: Graphic Techniques for Planning, Monitoring,</p>	<p>Discussion/Participation Assignment: What makes a decision strategic? If a decision isn’t strategic, is it “non-strategic”, or “tactical” or “not important”? Does it matter if a decision is strategic in how you would</p>

	<ul style="list-style-type: none"> • Making Strategic Decisions • Implementation on Planning 	<p>and Evaluating</p> <p>Articles: Snowden, David J. and Boone, Mary E. <u>A Leader's Framework for Decision Making</u> Harvard Business Review, Nov. 2007</p>	<p>implement the decision?</p> <p>Lecturette: Most of us use simple decision tools every day – and frequently don't even think about our actions as decisions. When I reach the first major intersection on my walk to the office, do I go straight or turn right? I do "weigh" a handful of factors – the cycle of the traffic light, my willingness to jaywalk, the presence or absence of rain – but in the end I know the difference on my 35-minute walk to the office will be plus or minus 15 seconds so I don't worry much about making the best choice.</p> <p>Selling my old house is a bigger decision and gets more attention. I try to trade off the low-ball offer to decide whether to take it, counter offer and risk losing the would-be buyer, or decline outright and gamble a more serious buyer will come along soon. I consider the financial implications of the decision itself, the opportunity cost of covering two house payments for a longer period of time, and the emotional wear-and-tear of worrying whether the house will ever sell in a down market.</p> <p>In big and little decisions, there is risk and there is uncertainty. I factor them in to my decisions. I might even do a sensitivity analysis on the house decision. As decisions grow in complexity and importance, we at least should consider formalizing our "rules of thumb" in to analytical frameworks. Using analysis appropriate to the decision will make better decisions, whether personal or professional.</p>
3	<p>Framing Challenge: What is the Real Problem?</p> <ul style="list-style-type: none"> • Root Cause 	<p>Text: Ammons, David N. (2008). <i>Tools for decision making: a practical guide for local government (2nd ed)</i>. Review Part II: Graphic</p>	<p>Discussion/Participation Assignment: Consider high employee turnover rates in a social services office. And assume that replacing the individuals who leave compromises service quality and</p>

	<p>Analysis</p> <ul style="list-style-type: none"> • Presenting the Decision Problem as a Question • Breaking the Problem in to Manageable Parts • Understanding the Context and Goals of the Decision Making Process 	<p>Techniques for Planning, Monitoring, and Evaluating</p> <p>Articles: Jenssen, S. (2008). Deliberative Democracy in Practice. <i>Acta Politica</i>, 43(1), 71-92.</p> <p>Cassia, F. (2008). Citizen surveys impact on decisions on decisions in local government. <i>Journal of Services Research</i>, 8(1), 109-122.</p> <p>London, K., & Cadman, K. (2009). Impact of a Fragmented Regulatory Environment on Sustainable Urban Development Design Management. <i>Architectural Engineering and Design Management</i>, 5(1/2), 5-23.</p>	<p>requires additional time and money to search for new help. Is this a problem for the organization, or a symptom of a problem? How would you approach answering the question? Does it matter whether you are the immediate supervisor or the department head back in the state capitol?</p> <p>Formative Assessment 1: (CO1 @ 20%) Pick a public sector activity of interest to you and which has data reasonably available (either through job or in the press) and select a range of decision tools from the readings that may be employed to help address the issue. From the perspective of the policy decision maker, identify the tools you find most useful in approaching the problem and summarize why this is the case. Applying the available data to the tools selected, evaluate the decisions to date. If the evidence is not yet in to be definitive, use the available information to make a “most likely” evaluation.</p>
4	<p>Structuring Decisions: Identifying Alternatives</p> <ul style="list-style-type: none"> • Comparing Apples and Oranges: How else can you buy your groceries? • Capturing Competing Interests and Pareto Optimality • Data Driven Decision Making for Content and Legitimacy 	<p>Text: Ammons, David N. (2008). <i>Tools for decision making: a practical guide for local government (2nd ed)</i>. Part III: Work Flow and Work Measurement</p> <p>Part IV: Simple Mathematical Computations: Analytical Building Blocks</p> <p>Articles: Gladwell, M. (2005) <u><i>Blink, The Power of Thinking Without Thinking</i></u>, 1st Ed. Little, Brown and Company.</p>	<p>Participation Assignment: Take a recent public sector <u>action involving multiple competing</u> interests. How could you modify this action or decision to make at least one stakeholder better off, and not make any stakeholder worse off? Should your proposal be followed?</p> <p>Lecturette: “That’s like comparing apples to oranges”. So what? I eat a banana every day so I never need to decide between bananas and apples. And I sometimes have apples and oranges around for snacks --- but usually just one or the other. How do I decide? I compare on price, I factor in “what I feel like eating”, and I look at the quality of the produce. I may look at</p>

	<ul style="list-style-type: none"> • Wisdom, Compromise, and Consensus 	<p>ISBN: 0-316-17232-4</p> <p><u>Price, M.C. (2008). Intuitive decisions on the fringes of conscious and does it matter <i>Judgment and Decision Making</i>, Vol. 3, No. 1,</u></p> <p><u>Martin, R. (2007), <i>How Successful Leaders Think</i> Harvard Business Review, June 2007. Pp. 60-67</u></p>	<p>whether the produce is local, trucked in from another state, or shipped in from another country. Making decisions about un-like objects is part of every day life.</p> <p>Certainly, the closer the comparison of two choices, the easier it is intellectually to choose between two options. But we must have the ability to select between objects – or between actions and/or professional decisions – when the factors of comparison are not clear. Two concepts from basic economics can help us do that.</p> <p>First, “Opportunity Costs” require us to consider the benefits and costs of the next best (or in some cases, better) decision option. Building a new bridge over the river doesn’t just cost us \$20mm and displace traffic for six months while the project is going on but then make traffic better for years, while also employing 80 construction workers for the period of the project. It also means that \$20mm is not available to install and replace 50 traffic lights that could reduce accidents within the city, eliminating significant insurance costs, employing numerous electricians and programmers, and reducing carbon emissions – creating cleaner air – by better cycling traffic and reducing idle time. Dollars may not capture every cost and every benefit in precise form, but it does create a metric to make more complex comparisons easier to understand.</p> <p>The second concept from economics is “Subjective Expected Utility”. That is, we formally acknowledge that dollars are not a perfect measure of value and that we legitimize non-financial factors in the decision making process. The measurement of these factors is indeed problematic (“subjective”, by definition, means that the measures cannot be objective) but our ability to have civil discourse increases when we</p>
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			<p>can openly capture the non-financial factors we are including. Indeed, when thoroughly conducted, we can ask the social group a specific question, “Is spending \$10mm on prison construction and getting more criminals off the street a better outcome than spending \$14mm on education and training programs that prevent individuals from becoming future criminals? That’s by no means an easy question no matter what the measurement scale, but it is a possible question to answer if we can develop shared metrics and assumptions.</p>
5	<p>Evaluating the Decision Context</p> <ul style="list-style-type: none"> • “Good Enough” as Tactic and/or Strategy • Decision Making with Imperfect and Incomplete Information • SWOT Analysis (internal strengths and weaknesses in the context of external opportunities and threats) 	<p>Text: Ammons, David N. (2008). <i>Tools for decision making: a practical guide for local government (2nd ed)</i>. Part VII: Selected Applications of Analytical Techniques in Local Government</p>	<p>Discussion/Participation Question: Under what circumstances does it make sense to take a data-driven decision approach but intentionally act before all of the relevant data is available? Conversely, what do we really mean by relevant data?</p> <p>Formative Assessment 2 (@ 20%): Either building from the formative assignment in Module 3 or selecting another decision of comparable complexity (if you choose a different decision, include a brief summary of the issue as context), analyze what information or data was lacking at the time the decision was made. Analyze the importance of the missing data and evaluate how well the agency or department dealt with the uncertainty caused by the lack of complete information. Present how, or if the “good enough” solution could have been improved by more extensive analysis before-the-fact. Explain the metrics you used to reach this conclusion.</p>
6	<p>Measurements of Benefits and Costs from the Perspectives of Major Stakeholders</p>	<p>Text: Ammons, David N. (2008). <i>Tools for decision making: a practical guide for local government (2nd ed)</i>. Review Part IV: Simple</p>	<p>Discussion/Participation Assignment: Many public sector projects seem easily justified as in the public good when the outcomes are clear and the costs seem reasonable but the payers</p>

	<p>Disagreements on the dollars – timing, risk, and specificity of who pays</p> <p>Disagreements on the subjective measures</p>	<p>Mathematical Computations: Analytical Building Blocks</p> <p>Part V: Identifying Costs and Analyzing Options</p>	<p>of the costs are not explicitly identified (e.g. “someone” or “the general fund”). Do we make better decisions, worse decisions, or the same decisions as we more closely link the source of funds to the particular project?</p> <p>Lecturette:</p> <p>No matter how good the data or compelling the analysis, some individuals will argue against the conclusion most of the time. But the more robust the analysis, the more reasonable people will accept the conclusion. More robust need not be more precise. For example, a common analytical technique is sensitivity analysis. In sensitivity analysis, we agree on how various factors (benefits and costs) are measured and then run the analysis based on several sets of assumptions. While more runs is better than fewer, private industry general defaults to a three-way analysis (assumed best case, assumed worst case, and assumed most likely outcomes). In the public sector, we are likely to be compelled to run analyses based on the assumptions of every major stakeholder group. If we have ten such groups and a single decision fits eight of the analyses (and therefore, not the last two), we have at least two options. One is to convince the two outside groups that even their assumptions are correct, in a world of uncertainty proceeding is the best decision available. The other option is to spend effort testing the assumptions, rather than further efforts collecting the data. If the last two groups can be convinced their assumptions are wrong (or likely to be wrong), they may join in support. Concurrently, if the investigation of the assumptions suggests one or both of these groups are more likely to be right, that provides the opportunity to re-evaluate the assumptions of the other stakeholders (and our own). Getting</p>
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			agreement on the assumptions relative to the objective/financial metrics will be a challenge. Getting agreement on the subjective assumptions will be a greater challenge, and sometimes impossible.
7	<p>The Balanced Scorecard</p> <ul style="list-style-type: none"> • Converting an evaluation tool for long term business decisions to the murkier environment of public policy 	<p>Article: Kaplan, Robert S. & Norton, David P. <u>Using the Balanced Scorecard as a Strategic Management System.</u> Harvard Business Review, July – August 2007</p>	<p>Formative Assessment 3 (CO 4 & 5 @ 35%): Building from the formative assessment assignment in Module 5, generate a Balanced Scorecard that captures critical outcomes for all major stakeholders. Select appropriate metrics to measure success in each factor and create a plan to (a) collect the most accepted, accurate data consistent with your model and reasonable management practices and (b) prepare a PowerPoint presentation on how this data would be communicated to all stakeholders (note you won't have the actual data, just the kinds of data). Identify the points in which convincing the stakeholders seems most problematic regardless of the accuracy or completeness of the analysis.</p>
8	<p>Course Wrap Up</p>		<p>Lecturette: Getting the right answer matters. "Right" may be dependent on assumptions, on risk and uncertainty, and on subjective measures where agreement ranges between difficult and impossible. Perhaps more disappointing, even doing everything right won't always lead to a good outcome. And doing everything right in the decision analysis process can still be displaced by political considerations (discussed in other courses). But our chances of success, increase greatly by thorough, disciplined investigation and analysis.</p>

Grading Criteria

Grading Scale

A	100 – 93 %
A-	92 – 90 %
B+	89 – 88 %
B	87 – 83 %
B-	82 – 80 %
C+	79 – 78 %
C	77 – 73 %
C-	72 – 70 %
F	69 and below

Grading requirements

<i>Attendance/participation</i>	<i>25%</i>
<i>Formative Assessment 1</i>	<i>20%</i>
<i>Formative Assessment 2</i>	<i>20%</i>
<i>Formative Assessment 3</i>	<i>35%</i>
	<i>100%</i>

Library

All resources in Argosy University's online collection are available through the Internet. The campus librarian will provide students with links, user IDs, and passwords.

Library Resources: Argosy University's core online collection features nearly 21,000 full-text journals and 23,000 electronic books and other content covering all academic subject areas including Business & Economics, Career & General Education, Computers, Engineering & Applied Science, Humanities, Science, Medicine & Allied Health, and Social & Behavior Sciences. Many titles are directly accessible through the Online Public Access Catalog at <http://library.argosy.edu>. Detailed descriptions of online resources are located at <http://library.argosy.edu/libweb/resources/>

In addition to online resources, Argosy University's onsite collections contain a wealth of subject-specific research materials searchable in the Online Public Access Catalog. Catalog searching is easily limited to individual campus collections. Alternatively, students can search combined collections of all Argosy University Libraries. Students are encouraged to seek research and reference assistance from campus librarians.

Information Literacy: Argosy University's Information Literacy Tutorial was developed to teach students fundamental and transferable research skills. The tutorial consists of five modules where students learn to select sources appropriate for academic-level research, search periodical indexes and search engines, and evaluate and cite information. In the tutorial, students study concepts and practice them through interactions. At the conclusion of each module, they can test their comprehension and receive immediate feedback. Each module takes less than 20 minutes to complete. Please view the tutorial at <http://library.argosy.edu/infolit/>

Academic Policies

Academic Dishonesty/Plagiarism: In an effort to foster a spirit of honesty and integrity during the learning process, Argosy University requires that the submission of all course assignments represent the original work produced by that student. All sources must be documented through normal scholarly references/citations and all work must be submitted using the current edition of the *Publication Manual of the American Psychological Association*. Students are encouraged to purchase this manual and become familiar with its content as well as consult the Argosy University catalog for further information regarding academic dishonesty and plagiarism.

Scholarly writing: The faculty at Argosy University is dedicated to providing a learning environment that supports scholarly and ethical writing, free from academic dishonesty and plagiarism. This includes the proper and appropriate referencing of all sources. You may be asked to submit your course assignments through “Turnitin,” (www.turnitin.com), an online resource established to help educators develop writing/research skills and detect potential cases of academic dishonesty. Turnitin compares submitted papers to billions of pages of content and provides a comparison report to your instructor. This comparison detects papers that share common information and duplicative language.

Americans with Disabilities Act Policy

It is the policy of Argosy University to make reasonable accommodations for qualified students with disabilities, in accordance with the Americans with Disabilities Act (ADA). If a student with disabilities needs accommodations, the student must notify the Director of Student Services. Procedures for documenting student disability and the development of reasonable accommodations will be provided to the student upon request.

Students will be notified by the Director of Student Services when each request for accommodation is approved or denied in writing via a designated form. To receive accommodation in class, it is the student’s responsibility to present the form (at his or her discretion) to the instructor. In an effort to protect student privacy, the Department of Student Services will not discuss the accommodation needs of any student with instructors. Faculty may not make accommodations for individuals who have not been approved in this manner.

The Argosy University Statement Regarding Diversity

Argosy University prepares students to serve populations with diverse social, ethnic, economic, and educational experiences. Both the academic and training curricula are designed to provide an environment in which students can develop the skills and attitudes essential to working with people from a wide range of backgrounds.