

**The London School of Economics and Political Science, Department of Social Psychology  
2003–2004**

## **PS445 Half Unit Course on Organisational and Social Decision Making**

### **Teacher responsible**

Professor Patrick Humphreys, S364

### **Assisting Teachers:**

Dr. Hannele Huhtala (Seeck), S317

Ms. Alexandra Steinberg, S316

### **Availability**

Students on degrees without a psychology component may only attend subject to numbers, their own degree regulations and at the discretion of the Teacher responsible.

### **Core syllabus**

This course starts with a short historical introduction (which helps in understanding where the technical terms currently used in the field actually come from), followed by a primarily problem and people centred, rather than formal, approach to the subject, with a number of case studies of organisational and social decision making, and of attempts to provide support for decision making in organisations.

The course will examine the discourses and processes involved in forming judgments, planning actions and evaluating their consequences, what happens in societal decision making when people have conflicting objectives; how risk is experienced and analysed. Techniques for aiding decision making are explored, and ways in which decision support may be embedded in process supporting organisational management and change are investigated.

### **Content**

The course will concentrate on contexts in which, at the outset, there is uncertainty about how to represent the structure of the decision problem and examine both the formal techniques and the kind of discourses employed in negotiating and constructing representations of 'the decision problem', securing agreement on 'the decision' and the associated commitments to action, and attempting to manage its implementation. In organisational decision making, the decision maker may be a 'problem owner' but, on his or her own, may have insufficient information or power to formulate and implement a policy for action, and so usually relies on the support of proposers of solutions to parts of 'the problem', on experts and perhaps on some computer based 'decision support system' which may be introduced by external consultants. Hence in studying organisational decision making systems we shall need to examine the sometimes conflicting motivations of people occupying these various roles. We shall also investigate how decision problems representations are employed as artefacts by those people who participate in the making of decisions and attempt to get them implemented in organisational contexts. In social decision making we shall examine cases where different stakeholders or interest groups have different views and motivations concerning the effects (and side-effects) of decision making which may have wide-ranging social impact. We shall examine how decision theory, originally developed as a

theory informing individual, 'rational' decision making, may be situated and developed as a methodology shaping social decision making in a wide range of contexts.

### **Teaching**

Lecture/Seminar (PS445) (2 hours) x 10 LT. Class (PS445.A) (1 hour) x 5 fortnightly LT, devoted to in-depth analysis of specific material.

### **Written work**

3,000 word written assignment required.

### **Reading list**

L R Beach, *The Psychology of Decision Making: People in Organisations*, Sage, 1997; M Zeg, *Rational Choice and Organisational Theory: A Critique*, Sage, 1998; P C Humphreys *et al* *Decision Support in Organisational Transformation*, Chapman and Hall, 1997; J Ansell & F Wharton, *Risk: Analysis, Assessment and Management*, Wiley, 1992; D Berkeley, G Widmeyer, P Brezillon & V Rajkovic, *Context Sensitive Decision Support Systems*, Chapman and Hall, 1998; D Von Winterfeldt & W Edwards, *Decision Analysis and Behavioural Research*, Cambridge University Press, 1986; P R Kleindorfer, H C Kunreuther & P H Schoemaker, *Decision Sciences: An Integrative Perspective*, Cambridge University Press, 1993; P Humphreys & P Brezillon, *Decision Systems in Action*, Hermes, 2001; O Larichev & D L Holson, *Multiple Criteria Analysis in Strategic Citing Problems*, Kluwer, 2001; C Jaegar *et al*, *Risk, Uncertainty and Rational Action*, Earthscan, 2001.

### **Assessment**

1. A formal two hour examination in the ST: two questions from a choice of 5 (50%).
2. A written assignment of not more than 3,000 words (50%).