

Proposal for a New Course

Course Title: Behavioral Economics in Management

Course No. : MBA***

Proposer: Devlina Chatterjee

Department/IDP: Department of Management Sciences

Per Week Lectures: 3(L), Tutorial:0(T), Laboratory: 0(P), Additional Hours[0-2]: 0(A),

Credits: 10 credits

Prerequisite: MBA 606 / ECO201 Economic Analysis for Management

Target Students: PhD, MBA, MTech Students of DoMS and other interested PG students

Other Departments to which the proposed course may be of interest: Economic Sciences

Other faculty members interested in teaching the proposed course: Prof Suman Saurabh

Semester: Even

Objective:

The aim of this course is to introduce the concepts of behavioral economics to management students and management practitioners. Economic thought has advanced in recent decades beyond the traditional microeconomic theories that assume rational behavior and are based on models of utility maximization. The aim of this course is to introduce students in management to these departures from traditional economic theories and the fascinating real world applications that emerge from such departures. This course is not mathematical and will instead focus on some of the outcomes of new ways of understanding human behavior. I will require reading of texts as well as some cases that illustrate the new theories in action.

Course contents:

1. Introduction to Behavioral Economics
2. Basic Consumer Theory
3. Expected Utility Theory
4. Bounded Rationality
5. Prospect Theory
6. Intertemporal Choice and Time-Inconsistency
7. Other-regarding preferences, Trust and Reciprocity
8. Heuristics and Biases
9. Nudging: using Behavioral Economics to improve policy-making
10. Neuroeconomics

Text book:

An Introduction to Behavioral Economics (3rd Edition), Author(s): Nick Wilkinson, Matthias Klaes

Reference Books:

- Influence by Robert B. Cialdini.
- Thinking Fast and Slow by Daniel Kahneman.
- Misbehaving: The Making of Behavioral Economics by Richard Thaler
- Nudge: Improving Decisions About Health, Wealth, and Happiness by Richard Thaler and Cass Sunstein
- Animal Spirits: How Human Psychology Drives the Economy, and Why it Matters for Global Capitalism by Akerlof and Shiller
- Predictably Irrational: The Hidden Forces That Shape Our Decisions by Dan Ariely
- Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty by Abhijit V. Banerjee and Esther Duflo
- Drive by Daniel H. Pink
- Blink. Malcolm Gladwell.
- Art of Choosing by Sheena Iyengar
- Stumbling on Happiness by Daniel Gilbert

Estimated student enrolment: 20-25

Departments to which the proposed course will be of interest: DoMS, HSS

Other faculty members interested in teaching the proposed course:

Any other remarks:



Dated: October 24, 2025

Proposer: Devlina Chatterjee

Dated: _____ DPGC Convener: _____

The course is Approved/ Not Approved

Chairman, SPGC

Dated: _____