**Academic Guide**

**DECISION MAKING MODELS**

**4TH year**

*Degree in Marketing and Commercial Management (TSDMC)*

Academic Year 2014 /2015

<table>
<thead>
<tr>
<th>Campus:</th>
<th>Pozuelo (Madrid)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professor:</td>
<td>Carlos Valencia</td>
</tr>
<tr>
<td>Academic Period:</td>
<td>2nd Semester</td>
</tr>
<tr>
<td>Year:</td>
<td>4th year</td>
</tr>
<tr>
<td>Type:</td>
<td>OB (Obligatory)</td>
</tr>
<tr>
<td>Language in which the course will be taught:</td>
<td>English</td>
</tr>
<tr>
<td>No. Of credits:</td>
<td>3</td>
</tr>
<tr>
<td>Classes per week:</td>
<td>2 h/w</td>
</tr>
</tbody>
</table>

**Department**

*Business Management*

_Last Update: july 2014_
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Pozuelo de Alarcón Campus -Madrid-

2. General Description of the Subject & Course Content:

Among the directive skills that a manager must have, independently of those related to the management area (more technical) decision making is mandatory as a practical tool.

3. Statement of Course Goals & List of Student Learning Outcomes:

Understand decisions as transversal skills in the managing process, in the general management and the functional directives.
Know and apply the decision making process to complex corporate situations.
Know and apply specific support methods and assistance to efficient decision making.
Identify the situations when it is convenient to use one or other kind of decision making tool depending on the problem and the situation.

4. Competences:

**Transversal or Generics’ Competences**

CT01- Synthesis and analysis skill.
CT08- Problem solving skill.
CT09- Decision making skill.
CT19- Ethic commitment in work.
CT28- Applying knowledge to practice.

**Specifics- Professionals’ Competences**

CE05- Skill to redact global management or functional areas projects related to marketing and market research.
CE19- Skill to apply the theoretical, methodological and technical knowledge (about marketing and market research) together, obtained through the years of training, team working and developing skills and abilities of a Marketing and Market research professional.
5. Training:

WORKTIME DISTRIBUTION

<table>
<thead>
<tr>
<th>CLASSROOM ACTIVITY</th>
<th>NOT CLASSROOM ACTIVITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 hs.</td>
<td>60 hs.</td>
</tr>
</tbody>
</table>

TEACHING METHODOLOGY:

**AFE1 Professor exposition:** Explanation of the different concepts, using the descriptive schemes adapted to business real environment.

<table>
<thead>
<tr>
<th>Time</th>
<th>In class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total: 40,5hs</td>
<td></td>
</tr>
<tr>
<td>Classroom: 15</td>
<td></td>
</tr>
<tr>
<td>Not Classroom: 10,5</td>
<td>100</td>
</tr>
</tbody>
</table>

**AFE3 Works in groups and Practical Cases:** The resolution of practical cases and coursework by the students will be combined with the reading and commentary in class of actual texts (books, articles, conferences...), occupying the 35% of the remaining time.

<table>
<thead>
<tr>
<th>Time</th>
<th>In class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total: 20 hs</td>
<td></td>
</tr>
<tr>
<td>Classroom: 5</td>
<td></td>
</tr>
<tr>
<td>Not Classroom: 15</td>
<td>50</td>
</tr>
</tbody>
</table>

**AFE4 Debate and constructive criticism.** The debate and constructive criticism will be made about current issues related to the topic of the subject. The subject will be proposed by a student or by the teacher, who will moderate the discussion encouraging students participation and guiding to all students towards participation and critique of different views related to the knowledge gained through the classes.

<table>
<thead>
<tr>
<th>Time</th>
<th>In class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total: 5 hs</td>
<td></td>
</tr>
<tr>
<td>Classroom: 3</td>
<td></td>
</tr>
<tr>
<td>Not Classroom: 2</td>
<td>100</td>
</tr>
</tbody>
</table>
**Degree in Marketing and Sales Management**

**AFE5- Academic tutoring.** Students must meet individually and / or in a group with the teacher periodically to report the progress of the Course work and for the teacher to guide them and resolve doubts.

<table>
<thead>
<tr>
<th>Time</th>
<th>In class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total: 10 hs</td>
<td>Classroom: 0</td>
</tr>
<tr>
<td></td>
<td>Not Classroom: 10</td>
</tr>
<tr>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

**AFE6- Seminars.**

<table>
<thead>
<tr>
<th>Time</th>
<th>In class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total: 5 hs</td>
<td>Classroom: 0</td>
</tr>
<tr>
<td></td>
<td>Not Classroom: 5</td>
</tr>
<tr>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>
6. Grading Procedures:

The grading procedure for the degrees is based on a Continuous Evaluation system in which class attendance is obligatory. In order to pass the course you must attend a minimum of 70% of the classes.

Grading Procedure

CONTINUOUS EVALUATION CRITERIA

<table>
<thead>
<tr>
<th>Evaluation Activity</th>
<th>Total Weight</th>
<th>Breakdown</th>
<th>Nature</th>
<th>Grading Procedure</th>
<th>Observations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inclass Tests</td>
<td>60%</td>
<td>1st Test: 30% 2nd Test: 30%</td>
<td>Individual Test</td>
<td>SEE3</td>
<td>Subject is released with a minimum score of 5 points or higher in each test. To access the second test is compulsory to have passed the first.</td>
</tr>
<tr>
<td>Course Work</td>
<td>30%</td>
<td>20%</td>
<td>Theoretical coherence</td>
<td>SEE2</td>
<td>Resolution and class presentation of case study. It must serve written work with more detailed information</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10%</td>
<td>Practical Application</td>
<td>SEE2</td>
<td></td>
</tr>
<tr>
<td>Course Participation</td>
<td>10%</td>
<td>5%</td>
<td>Individual Volunteer works</td>
<td>SEE1</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>5%</td>
<td>Class Participation</td>
<td>SEE5</td>
<td></td>
</tr>
<tr>
<td>FINAL TEST</td>
<td>60%</td>
<td>60%</td>
<td>Alternative for those who do not release continuous assessment</td>
<td>SEE3 SEE4</td>
<td>Applies to Ordinary and Extraordinary</td>
</tr>
</tbody>
</table>

- The students may release the subject, not taking the final exam, obtaining a minimum score of 5 points in each voluntary test and passing through the Course Work also with a minimum score of 5 points.
The student, who does not release the subject by the continuous assessment, must take the final exam, which will have a rating of 60% of the final grade for both, ordinary or extraordinary Call. The other 40% correspond to the rest of continuous assessment items: compulsory work and active participation.

The students with an attendance below 70% are not entitled to continuous assessment, are valued over 60% of the final exam, both in the call ordinary and the extraordinary.

The marks obtained by a student in the various assessment criteria during an academic year WILL NOT be reserved for the next one.

All those repeaters in the subject that are exempt from compulsory attendance will be evaluated only by the Final Exam weighting a 100% of the course grade.

To overcome the Subject is compulsory to deliver and approve the Course Work and obtain in the Inclass Tests a minimum rating of 5 out of 10 points for both the ordinary to the extraordinary announcement.

### a. IN CLASS TEST

Both Inclass tests will have the following characteristics:

- Will be developed in one of the course hours.
- Length: 90 minutes.
- Type of Questions: Theorical and practical
- The tests will try to occupy about half of the subject.
- The teacher will determine the criteria for marking and penalties as appropriate, taken into account always orthography and university speech.

Each test is scored over 10 points and the student must demonstrate in these tests that dominate the subject in each part to be examined. Continuous evaluation tests do not have revision with teacher.

### b. COMPULSORY COURSEWORK

The students, as a group, have to perform during the course a compulsory practical work consisting of solving a business case.

The work must be original. When fragments of others are used, these must be cited. Use cannot be indiscriminately. Plagiarism will result in the student to fail the course.
Main characteristics of the work:

- Work to be done in teams of 5-6 people.
- Size and Format Presentation depends on the issue.
- Assessment issues: formal presentation; practical application, consistency of responses to professor/class mates questions; value-added approaches, formal structure...

The work will be presented in class by ALL group members. Absences must be duly justified.

The works can constitute subject of study for the written tests.

All materials for practices or Practical Work presentation delivered by students for assessment will not be returned (only in cases considered appropriate by the teacher).

The rating of the practical will be added to the theoretical exam grade once it is approved to obtain the final score. This rule applies in both ordinary and extraordinary call.

** The score obtained by a student in the Practical or the subject during a course WILL NOT be reserved for the following year (in case you do not pass the subject).

**c.** COURSE PARTICIPATION

The Professor will propose during the course several of volunteer works related to the different topics of the subject.

Also, throughout the development of the subject, will be assessed the student's active participation, respect to teacher and peers, respect to rules, such as its learning agility and continuous improvement.

**d.** FINAL EXAM

Continuous assessment applies to both Final Test official calls: ordinary and extraordinary. The weighting of the final grade of the student will be in both cases 60%. The exception applies only to those students repeaters as exempt from the course and attendance, in which case the final assessment of the examination will be 100 %.

There will be no exam at another date other than the dates designated by the school official.
The student can check their final exam on the official date to be determined for this purpose and will be published along with the final score.

**Final Exam Structure:**

- The test is assessed over 10 points.
- Length: 90 minutes.
- The theoretical exam score will be added to the note of the Practical Course Work and Course Participation.
- The teacher will determine the criteria for marking and penalties as appropriate, taken into account always orthography and university speech.

According to ESIC Academic Guide of the course, attendance impact in student final score according to the number of absences. The scale will oscillate between 1 and -1.

7. **COURSE PROGRAM**

   a. **COURSE OUTLINE**

   1. General concepts about decision making as a Management Skill.
   2. Stages for Efficient Decision Making
   4. Rational method or Optimization in decision making.
   5. Games Theory

   b. **COURSE CONTENTS**

The program presented could suffer some changes depending on the development of the subject, to maximize the learning and utility.

1. General concepts about decision making as Management Skill.
   1.1. The manager role in DM.
   1.2. Skill to MD and the associated responsibility. Process to transfer the capacity of DM to the collaborators.
   1.3. Manager skills and DM: leadership, motivation and communication.
   1.4. Definitions related to DM as managerial skill.

2. Stages for Efficient Decision Making
   2.1. Stages of the decision making process:
      2.1.1 HBR
      2.1.2 Peter Drucker
2.1.3 0+8

2.2. Generation of choices.

3. Individual & Group DM.
   3.1. Kinds of problems to solve in group or individually.
   3.2. DM method applied to group work. PSP.
   3.3. PSP stages.

4. Rational method or Optimization in the DM.
   4.1. Rational method or Optimization in company’s DM.
   4.2. The Construction of rational models.
   4.3. Linear Programming.

5. Strategic decision making as essential manager skill.
   5.1 Introduction to Game Theory
   5.2 Strategic Management process. Main decisions.
   5.3. Game Theory and Strategic Management. A practical application.
Relationship between Competence, Course content and Grading procedures Form

<table>
<thead>
<tr>
<th>COMPETENCES</th>
<th>TRAINING ACTIVITY</th>
<th>TOPIC</th>
<th>EVALUATION</th>
<th>WEIGHT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transversal or Generics' Competences</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CT01</td>
<td>AFE1, AFE2, AFE3, AFE4, AFE5, AFE6</td>
<td>T1, T2, T3, T4, T5, T6</td>
<td>SEE01, SEE02, SEE03</td>
<td>80%</td>
</tr>
<tr>
<td>CT08</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CT19</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>CT28</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Specifics-Professionals' Competences</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CE1</td>
<td>AFE1, AFE2, AFE3, AFE4, AFE5, AFE6</td>
<td>T1, T2, T3, T4, T5, T6</td>
<td>SEE01, SEE02, SEE03</td>
<td>20%</td>
</tr>
<tr>
<td>CE2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CE3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
8. Recommended Reading List

a. Basic Bibliography
   - Hillier, F. S. y Liberman, G. J. "INTRODUCTION TO OPERATIONS RESEARCH"
   - Drucker, Peter and others: “Harvard Business Review on decision making"
   - Robbins, Stephen: “Organizational behaviour”.

b. Supplementary Bibliography
   - Stoner, James; Freeman, Edward y Gilbert, Daniel: “Management”
   - March, James G: “A primer on decision making”. Free Press

c. BiblioWeb