

Course Syllabus

Economics of Leadership for PhD-students 7.5 Credits, Third Cycle

Learning Outcomes

Upon completion of the course, the PhD-student shall be able to:

- use microeconomic theory and game theory to analyse information and motivation problems in different types of institutions.
- explain the importance of asymmetric information for the effectiveness of an institution.
- explain how risk and uncertainty associated with decision-making can be analysed.
- explain the difference between “hidden action” problems and “hidden characteristics” problems, and explain how to work to solve the respective problems.
- analyse how contracts, or different ways of organising a business, can be used to handle incentive problems in companies.
- analyse the problems with public goods and how incentives can be used to clarify individual actors’ valuation of these goods.
- explain how being able to pair different actors with each other, so called matching, and how the existence of networks can affect an efficient allocation of resources.
- explain how pricing and property rights affect an efficient allocation of resources.
- discuss the importance of cultural differences in the design of institutions and incentives, critically reflect on leaders’ alternative strategies to formal decision models.

Course Content

The course deals with analytical models and tools that are used to understand and solve leadership problems in different types of institutions. Institution in this context covers various types of organised activities, both companies and public administration, where motivation and information are needed to coordinate the activities of individual actors. The course is based on microeconomic theory and utilises game theory to solve practical problems. A brief introduction to these areas is given and then applied to analyse incentive problems that may arise in different types of organised activities. The conventional decision theory is complemented by hybrid strategies relying on leaders’ experiential decision making and how such is fostered.

Assessment

Seminars and a written exam.



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Forms of Study

The course comprises lectures, seminars, and independent studies.

Grades

The Swedish grades U–G.

Prerequisites

Degree of Master 60 credits in Microdata Analysis

Subject:

Microdata Analysis

Approved:

Approved 3 October 2019

Valid from 4 October 2019