



COLLEGE OF BUSINESS

SUMMER I - 2022

COURSE NUMBER: MGT 571-01

COURSE TITLE: Managerial Metrics & Decision Making

INSTRUCTOR: Dr. Guclu Atinc

REQUIRED TEXTS: Alan J. Rowe. **Decision Making - Harvard Business Essentials**, Boston Ma., Harvard Business School Publishing Corporation, 2006. ISBN978-1-59139-761-8

John S. Hammond et al. **HBR's 10 Must Reads on Making Smart Decisions**, Boston, Ma. Harvard Business Review Press, 2013. ISBN 978-1-4221-8989-4

Note: Other course materials are embedded or linked within the weekly modules of the course.

COURSE DESCRIPTION: This course is an examination of the conceptual and practical aspects of managerial decision making. Emphasis is placed upon ethical grounding and business metrics as the appropriate driving forces in operational and financial decisions. Barriers to effective decision making are explored and strategies to improve the quality and sustainability of decisions are presented.

PREREQUISITE: Students are expected to come to class with energy and enthusiasm to learn.

STUDENT LEARNING OUTCOMES: Students who successfully completes this course will be able to competently:

1. Relate the basic process of Evidence-Driven Decision Making
2. Recognize the psychological pitfalls that are barriers to effective decision making
3. Employ ethical frameworks to facilitate sustainable decisions
4. Identify and characterize operational and financial metrics commonly employed in managerial decision making
5. Apply knowledge of decision making “best practices” to situations that arise in organizations.

CLASS MEETING: Online

CLASS LOCATION: Online

TEACHING METHOD: Lecture, case studies, articles, discussions

OFFICE & TELEPHONE NUMBER: BA 310, Phone: 903-886-5685, Cell: 318-245-2870 (cell phone to be used only in emergencies)

EMAIL ADDRESS: guclu.atinc@tamuc.edu

OFFICE HOURS: Online and by appointment only due to Covid-19 pandemic.

ATTENDANCE POLICY: Due to the nature of this class there is no attendance policy. However, students of the online class are expected to be active participants. Online students are not required but expected to watch pre-recorded class lectures and attend live sessions.

MAKE-UP POLICY: Unless there is an officially documented reason for missing an exam, no make-up exams will be given.

TECHNOLOGY REQUIREMENTS

LMS: All course sections offered by Texas A&M University-Commerce have a corresponding course shell in the myLeo Online Learning Management System (LMS). Below are technical requirements

LMS Requirements:

<https://community.brightspace.com/s/article/Brightspace-Platform-Requirements>

LMS Browser Support:

https://documentation.brightspace.com/EN/brightspace/requirements/all/browser_support.htm

YouSeeU Virtual Classroom Requirements:

<https://support.youseeu.com/hc/en-us/articles/115007031107-Basic-System-Requirements>

If you are having technical difficulty with any part of Brightspace, please contact Brightspace Technical Support at 1-877-325-7778. Other support options can be found here:

<https://community.brightspace.com/support/s/contactsupport>

ACCESS AND NAVIGATION

You will need your campus-wide ID (CWID) and password to log into the course. If you do not know your CWID or have forgotten your password, contact the Center for IT Excellence (CITE) at 903.468.6000 or helpdesk@tamuc.edu.

Note: Personal computer and internet connection problems do not excuse the requirement to complete all course work in a timely and satisfactory manner. Each student needs to have a backup method to deal with these inevitable problems. These methods might include the availability of a backup PC at home or work, the temporary use of a computer at a friend's home, the local library, office service companies, Starbucks, a TAMUC campus open computer lab, etc.

University Specific Procedures

Student Conduct

All students enrolled at the University shall follow the tenets of common decency and acceptable behavior conducive to a positive learning environment. The Code of Student Conduct is described in detail in the [Student Guidebook](#).

<http://www.tamuc.edu/Admissions/oneStopShop/undergraduateAdmissions/studentGuidebook.aspx>

Students should also consult the Rules of Netiquette for more information regarding how to interact with students in an online forum: <https://www.britannica.com/topic/netiquette>

TAMUC Attendance

For more information about the attendance policy please visit the [Attendance](#) webpage and [Procedure 13.99.99.R0.01](#).

<http://www.tamuc.edu/admissions/registrar/generalInformation/attendance.aspx>

<http://www.tamuc.edu/aboutUs/policiesProceduresStandardsStatements/rulesProcedures/13students/academic/13.99.99.R0.01.pdf>

Academic Integrity

Students at Texas A&M University-Commerce are expected to maintain high standards of integrity and honesty in all of their scholastic work. For more details and the definition of academic dishonesty see the following procedures:

[Undergraduate Academic Dishonesty 13.99.99.R0.03](#)

<http://www.tamuc.edu/aboutUs/policiesProceduresStandardsStatements/rulesProcedures/13students/undergraduates/13.99.99.R0.03UndergraduateAcademicDishonesty.pdf>

[Graduate Student Academic Dishonesty 13.99.99.R0.10](#)

<http://www.tamuc.edu/aboutUs/policiesProceduresStandardsStatements/rulesProcedures/13students/graduate/13.99.99.R0.10GraduateStudentAcademicDishonesty.pdf>

Students with Disabilities-- ADA Statement

The Americans with Disabilities Act (ADA) is a federal anti-discrimination statute that provides comprehensive civil rights protection for persons with disabilities. Among other things, this legislation requires that all students with disabilities be guaranteed a learning environment that provides for reasonable accommodation of their disabilities. If you have a disability requiring an accommodation, please contact:

Office of Student Disability Resources and Services

Texas A&M University-Commerce

Gee Library- Room 162

Phone (903) 886-5150 or (903) 886-5835

Fax (903) 468-8148

Email: studentdisabilityservices@tamuc.edu

Website: [Office of Student Disability Resources and Services](http://www.tamuc.edu/campusLife/campusServices/studentDisabilityResourcesAndServices/)

<http://www.tamuc.edu/campusLife/campusServices/studentDisabilityResourcesAndServices/>

Nondiscrimination Notice

Texas A&M University-Commerce will comply in the classroom, and in online courses, with all federal and state laws prohibiting discrimination and related retaliation on the basis of race, color, religion, sex, national origin, disability, age, genetic information or veteran status. Further, an environment free from discrimination on the basis of sexual orientation, gender identity, or gender expression will be maintained.

Campus Concealed Carry Statement

Texas Senate Bill - 11 (Government Code 411.2031, et al.) authorizes the carrying of a concealed handgun in Texas A&M University-Commerce buildings only by persons who have been issued and are in possession of a Texas License to Carry a Handgun. Qualified law enforcement officers or those who are otherwise authorized to carry a concealed handgun in the State of Texas are also permitted to do so. Pursuant to Penal Code (PC) 46.035 and A&M-Commerce Rule 34.06.02.R1, license holders may not carry a concealed handgun in restricted locations.

For a list of locations, please refer to the [Carrying Concealed Handguns On Campus](#) document and/or consult your event organizer.

Web url:

<http://www.tamuc.edu/aboutUs/policiesProceduresStandardsStatements/rulesProcedures/34SafetyOfEmployeesAndStudents/34.06.02.R1.pdf>

Pursuant to PC 46.035, the open carrying of handguns is prohibited on all A&M-Commerce campuses. Report violations to the University Police Department at 903-886-5868 or 9-1-1.

COURSE COMMUNICATION: Students are required to check their e-mail at least once a day for class information. The primary mode of communication in this class will be e-mail messaging. You should also check the D2L platform for announcements, to access the course documents, post comments on the discussion board, and to check your grades. All the audio and video files will be uploaded to D2L.

EXAMS: There will be three exams comprised of 10 essay questions worth 10 points each. The exams

are available on-line and are timed.

EVALUATION:

<u>Points</u>	<u>Assignment</u>
100	Exam One
100	Exam Two
<u>100</u>	<u>Exam Three</u>
300	Total points available

Letter grade determination:

270 - 300	A
240 - 269	B
210 - 239	C
Below 210	F

Keep in mind that you are going to be accumulating points throughout the semester!
(In other words, try to get as many points as you can, including the occasional bonus points)
Course Calendar is below, and the course schedule is on the next page.

Week	Dates	
Week 1	6/6/2022	6/12/2022
Week 2	6/13/2022	6/19/2022
Week 3	6/20/2022	6/26/2022
Week 4	6/27/2022	7/3/2022
Week 5	7/4/2022	7/7/2022

COURSE SCHEDULE

The weekly course content and assignments are planned as described below. Please note that content and schedule is subject to change at the discretion of the instructor.

<u>Week</u>	<u>Topic</u>
1	<p style="text-align: center;"><i>Introductory Live Session</i></p> <p>Introduction to Managerial Metrics and Decision Making (Module 1)</p> <p>Review of the course syllabus and student Q&A</p> <p>Course content Introduction - - Management, Metrics & Decision Making</p> <p>Metrics and Why They Are Important in Managerial Decision Making</p> <p>Managing Financial Performance</p> <p>Managing Operations</p> <p>Business Forecasting</p> <p>Types of Managerial Decisions</p> <p>Programmed & Non-programmed Decisions</p> <p>Proactive & Reactive Decisions</p> <p>Intuitive & Systematic Decisions</p> <p>Intuition & Experience vs. Data Driven Decision Making</p> <p>The 7 Basic Approaches to Managerial Decision Making</p> <p>Why Good Managers Sometimes Make Bad Decisions</p> <p>Summing Up</p>
1	<p>Systems Theory and Contingency Variables in Decision Making (Module 2)</p> <p>Classical, Behavioral & Management Science approaches</p> <p>Understanding Systems Theory in organizations & operations</p> <p>Identifying & Accounting for Contingency Variables</p> <p>The Vroom-Jago Normative Decision Model</p> <p>The Uncertainty Problem - - Dealing with the Unknowns & Risk</p> <p>Summing Up</p>
1	<p>Ethical Standards and Common Pitfalls of Group Decision Making (Module 3)</p> <p>An overview of business ethics</p> <p>Stakeholder relationships and social responsibility</p> <p>Emerging business ethics issues</p> <p>Laws that encourage ethical decision making</p> <p>Overview of 5 ethical standards in common practice</p>

Habits of strong ethical leaders
Bias and the motivational / emotional Influences on decision making
Human Foibles - - Overcoming common pitfalls of group decision making
Summing Up

2 Exam One Due – Modules 1-3

2 A Structured Approach to Evidence-Driven Decision Making – Part I (Module 4)

Overview of the Process
Deciding How the Decision Will be Made
Establishing the context for Success
Framing – clearly defining the problem / situation / opportunity
Information Gathering & Analysis
Identification of the Alternatives
Summing Up

2 A Structured Approach to Evidence-Driven Decision Making – Part II (Module 5)

Evaluation of the Alternatives – Pros and Cons
Risk Identification, Evaluation & Response
Planning Qualifying & Ranking the Viable Alternatives
Selecting of the “best “course of action
Planning & Allocating Resources
Communicating the Decision Among the Stakeholders
Implementing the Decision
Monitoring Implementation Effectiveness & Adjusting as Required
Summing Up

2 Objectives, Key Results and Business Metrics for Performance Management (Module 6)

The Role of Business Objectives in the Management of a Firm
Managerial Metrics
Financial vs. Managerial Accounting for Decision Making
Corporate vs. Business Unit Metrics & Decision Making
The Annual Operating Plan (AOP)
Elements of the Plan (Bookings, Sales, Backlog, Cost Centers, Profits, etc.)
Sales and Profit Forecasting
The AOP as a Financial Controls Tool
Summing Up

- 2 Revenue & Expense Methods, Metrics & Decisions (Module 7)
- Revenue Recognition Decisions
 - Sales basis, WIP,
 - Milestones,
 - Percent complete method, completed contract, cost recovery, accrual, etc.
 - Profit and Cash Flow Recognition Decisions
 - Cost Centers – Cost Classification and Assignment Decisions
 - Fixed vs. variable cost
 - Direct, Indirect & Allocated cost
 - Product and Period cost
 - Out of Pocket and Sunk cost
 - Incremental and Opportunity cost
 - Imputed cost
 - Budgeting Decisions
 - Operational
 - Budgeting
 - Financial Budgeting
 - Capital Budgeting
 - Summing Up

- 3 *Midterm Live Session*
- Typical Marketing, B&P, R&D Decisions (Module 8)
- 4Ps of Marketing – Product, Price, Place (Distribution) & Promotion
 - Marketing Objectives & Strategies
 - Product & Market Scope, Segments & Targets, etc.
 - Data Driven Marketing Decisions
 - B&P Decisions for Project Oriented Businesses
 - Gate Reviews and Expenditure Decisions
 - R&D Decisions for Product Oriented Companies
 - Summing Up

- 3 Typical Product Design, and Service Decisions (Module 9)
- Reading the trends & preferences - - research and analysis
 - Assessing product strategy options
 - Product /Service design - - features & benefits
 - Deciding on a value proposition
 - Making the tradeoff decisions

Legal, ethical and environmental issues affecting product decisions
Life cycle considerations
Standardization, Robustness, modularity and degree of “newness”
Accounting for cultural differences / preferences
Summing Up

- 3 Typical Production Operations Decisions (Module 10)
 Process design - - Selecting a transformation system
 Capacity and location planning decisions
 Supply chain decisions
 Inventory management decisions
 Principles of Cost-Volume-Profit Analysis
 Decisions Based Upon Variance Analysis and Performance Evaluation
 Measuring & Analyzing Cost Variance
 Measuring & Analyzing Schedule Variance
 Quality Metrics & Control
 Summing Up
- 3 Pricing Decisions (Module 11)
 Pricing Models (History, standard cost, “Similar to”, Parametric, etc.)
 Work Breakdown Structure, Basis of Estimate (BOE) & Price Build-up
 Forward Pricing (Direct Labor, Material, ODC, Fringe, Overheads, G&A)
 Bid Factors for Allocated Cost
 Price-volume relationships / Learning Curves
 Make vs. Buy Decisions
 Time & Material and Over & Above Rates
 Summing Up
- 4 Exam Two Due – Modules 4-9
- 4 Cash Flow and Working Capital Decisions (Module 12)
 Deliveries, Progress Payments, Performance Milestones
 Commitments and Disbursement
 Working Capital Cycle - Managing inventories, accounts receivable & payable, and cash
 Capital Investment Decisions

The Capital Budgeting Process
Accounting Rate of Return (ARR)
Average Accounting Return (AAR)
Payback Period
Time value of money & cost of capital decisions
Profitability index
Internal Rate of return
Summing Up

- 4 Improving Your Managerial Decision-Making Processes - - Part 1 (Module 13)
 Analytics, Models and Decision Support Systems
 Inquiry vs. Advocacy
 A Checklist for Asking the Right Questions
 Conquering a Culture of Indecision
 Summing Up
- 4 Improving Your Managerial Decision-Making Processes - - Part 2
 (Module 14) Cross-functional decision teams and boards
 The Role of Constructive Conflict
 Reading “red flags” to Avoid Catastrophe
 Learning from failures & “near-misses”
 Using feedback & re-do loops
 Summing Up
- 5 *Final Live Session*
 Exam Three (Modules 10-14)