

## PROGRAMME SPECIFICATION – POSTGRADUATE PROGRAMMES

### KEY FACTS

Programme name	Behavioural Economics
Award	MSc
School	School of Arts and Social Sciences
Department or equivalent	Departments of Psychology and Economics
Programme code	PSBEEC
Type of study	Full Time/Part Time
Total UK credits	180
Total ECTS	90

### PROGRAMME SUMMARY

Behavioural economics applies psychological insights into human behaviour to investigate how people make economic decisions under various conditions of constraint (e.g. time and knowledge) and influence (e.g. social pressure). This field has emerged as an important area of modern economics, and the social sciences more generally; and now both UK and USA governments recognise the potential of “nudging” individuals into different ways of acting across the whole economic domain (e.g. pension savings). Commercial organisations have long known the limitations of individual decision making and they routinely use this knowledge in their commercial practices (e.g. anchoring effect of minimum payment on credit cards). The practical implications of behavioural economics are varied and significant, and acknowledged to provide a powerful and cost-effective approach to improving human welfare.

On a theoretical level, principles of behavioural economics have challenged the axiomatic assumptions of neoclassical economics in suggesting that economic decision making violates central principles of rational choice theory and expected utility maximisation: all too often, people do not behave as they should according to standard economic models. In contrast, behavioural economics applies insights from psychology to better explain human economic behaviour; for instance, individuals’ tendency to use mental shortcuts (heuristics) in decision making.

The programme will provide you with a conceptual understanding of the behavioural and economic sciences that underpin the field of behavioural economics. Understanding how real people make real decisions is of utmost importance to theoretical economic understanding (preferences and utility), the practical application of models of human behaviour (e.g. government policies), and individual economic welfare (e.g. health and financial) which, for example, can be diminished by overweighting the present and underweighting the future (i.e. hyperbolic temporal discounting). Consumer psychology is also dependent on the principles of behavioural economics (e.g., techniques of influence used in marketing and advertising), as are consultancies of various kinds (e.g. branding and public relations). This systematic knowledge will allow you to evaluate critically current research through advanced scholarship in the discipline, including the ability to evaluate methodologies and develop critiques of them. You will also be able to formulate new hypotheses and demonstrate originality in the application of your new knowledge and critical insight. This knowledge and awareness will translate into skills that will enable you to appreciate practical applications and to apply behavioural

economic principles and procedures across a wide range of professional and business contexts.

The knowledge, skills and the interests you will develop during the course of the programme will be used in your research dissertation, which will provide you with an opportunity to undertake a major piece of independent high-quality research supervised by a specialist from the Departments of Economics and Psychology.

Your learning experience during the programme will be enhanced by an invited speakers programme of external experts who work in behavioural economics. These talks will be part of the wider remit of the programme which has a focus on real-world applications – this is consistent with City's focus on the relevance of knowledge for business and the professions. In addition, there is a network of behavioural economists throughout London, with regular talks by national and international experts. These opportunities will give you the chance to appreciate the full range of theories and applications of behavioural economics.

The programme is offered in two modes: one year full-time, and two-years part-time. (These different routes through the programme are shown below.)

There are a number of exit qualifications:

#### ***Postgraduate Certificate***

For all of you completing the Postgraduate Certificate in Behavioural Economics you will be able to examine the theories related to the psychological processes of judgement and decision making and synthesis and apply these to real-world contexts in the public and private sectors. You will have critical insight into problems related to a range of behavioural economic problems and you will be able to solve these using psychological and economic theories. You will also use a range of techniques to undertake your scholarly work.

#### ***Postgraduate Diploma***

For all of you completing the Postgraduate Diploma in behavioural economics, in addition to the above you will explore knowledge related to the psychological processes of judgement and decision making from different perspectives to broaden your expertise and skills. You will also evaluate critically current evidence in behavioural economics and provide appropriate critiques of knowledge and techniques of the range of applications in the private and public sectors.

#### ***MSc***

For all of you completing the MSc in behavioural economics you will demonstrate original application of knowledge to psychological processes of judgement and decision making and in choice of approaches to practice. You will be engaged in research or scholarly activity that contributes new views to the theory and/or application of behavioural economic principles and practices.

#### **Aims**

The aims of this programme are to provide you with opportunities to acquire systematic knowledge and critical understanding of behavioural economics, broadly defined as the synthesis of psychology and economics in individual decision making and behaviour. It

will provide you with advanced scholarship that will allow you to analyse critically theoretical, methodological and applied issues, and to propose original hypotheses based on a depth of conceptual knowledge. The programme will also provide you with necessary academic, research, and communication skills to apply this knowledge. In addition, the programme aims to enable you to develop an awareness of professional and contextual issues relevant to the practice of behavioural economics, including ethical considerations of psychology-based techniques of influence.

The programme is taught by both psychologists and economists, and its major objective is to synthesize these two perspectives to achieve theoretical coherence with practical outcomes; specifically, how behavioural economic theories and methods can be used in different fields to influence individual decision making in positive directions. The programme will also consider the potential 'dark side' of techniques of behavioural manipulation and the implications of this potential for the appropriate professional use of these theories and methods.

### **WHAT WILL I BE EXPECTED TO ACHIEVE?**

**On successful completion of this programme, you will be expected to be able to:**

#### Knowledge and understanding:

- Demonstrate a sufficient depth of systematic understanding of behavioural economics, from theoretical, research and applied viewpoints.
- Provide evidence of a critical understanding of theoretical perspectives from both economics and psychology and understand how these two perspectives led to the development of behavioural economics.
- Demonstrate advanced research knowledge and skills, including how they can be applied to answering specific theoretical questions in behavioural economics.
- Articulate a coherent understanding of how behavioural economic methods are used by organisations (private and public) to influence decision-making and behaviour.
- Demonstrate a critically appropriate conceptual understanding of the issues entailed by attempting to influence individual behaviour in the context of ethics, individual free choice, and possible detrimental effects.
- Provide evidence of advanced scholarship of a sufficient level to explain how established techniques can be used to advance future knowledge.

#### Skills:

- Compare critically and contrast different theoretical positions in economic and psychological analyses.
- Discuss how behavioural economic principles can be applied to a host of real-world problems.
- Demonstrate advanced competence to conduct high-quality research.
- Show a high level of competence appropriately to present (written and oral) research findings to different types of audiences.
- Provide evidence of the professional skills to integrate and synthesize information from diverse sources and which may be based within conflicting and/or complementary epistemological frames of reference.

- Show competence in the critical evaluation of complex arguments and evaluation of their factual support.
- Demonstrate competence to engage with the professional community to communicate complex theoretical ideas.
- Provide formal evidence of advanced scholarship of the discipline to formulate original hypotheses and conceptually rigorous ways to evaluate them.

Values and attitudes:

- Reflect critically and constructively upon professional, intellectual and personal development within the context of behavioural economics training.
- Show understanding of the professional responsibilities associated with applying psychological techniques to influence individual behaviour.
- Demonstrate knowledge of the ethical implications of research in applied settings.
- Discuss the importance of rigour in good research practice.
- Demonstrate understanding of the need to have respect for and sensitivity to the needs of the research participants.
- Demonstrate willingness to appreciate the cultural diversity and the implications of this for data collection and analysis.

**HOW WILL I LEARN?**

The rationale for learning, teaching and assessment strategies is based on an active approach of independent learning supported by the teaching/learning team. You will be required to take responsibility for your own learning and to take advantage of the learning opportunities offered (e.g., invited speakers programme and online resources). The learning and teaching strategies for each module will expose you to a range of methods, comprising: lectures, guest lectures, seminars, group work, workshops, small group discussions, tutorials, reflective reports and research project supervision. A combination of lectures (to present information) and seminars (to understand and assimilate lecture material) will be used throughout the programme. Teaching and learning will be enhanced by technology-supported resources which will enrich your learning experience.

Your independent learning will entail reading recommended books/papers, and ‘reading around’ the field to develop a deeper understanding. Much of this independent study will be focused on preparation of formative and summary essays and reports. You will be encouraged to be actively engaged during class contact time, bring your own experience to these sessions, and in order to foster advanced scholarship to develop an appropriately independent, critical and professional attitude to the material presented. You will require a high degree of independent reading, study and reflection.

Each module will provide you with formative assessment with detailed feedback to help prepare you with the skills and confidence to reach your potential in summative assessment. Teaching/learning staff will be available for one-to-one interactions and feedback.

In each module you will receive typically 30-34 hours of face-to-face contact, supported by online resources (e.g., videos and advanced readings provided on the learning

platform, Moodle) for your self-directed study.

If you have an academic background in Economics you may take electives from one or more of the Department of Economics MSc programmes to strengthen your theoretical and analytical knowledge/skills of advanced economics. All other students may take an elective from one of the MSc programmes offered by the Department of Psychology. (These options are discussed below.)

## **WHAT TYPES OF ASSESSMENT AND FEEDBACK CAN I EXPECT?**

### Assessment and Assessment Criteria

In order to assess your full range of learning, you will complete reflective reports, essays, examinations, qualitative text analysis, interpretation of statistical analyses, formal research proposals and a research dissertation. In addition, you will be directed to independent study and receive detailed feedback on their coursework as an aid to your further learning. These different forms of assessment have the aim of assessing your knowledge, skills and appreciation in different areas of behavioural economics (e.g., theoretical knowledge and applied aspects of behavioural techniques).

You will be provided with Assessment Criteria which are descriptions based on the intended learning outcomes, of the skills, knowledge or attitudes that you need to demonstrate in order to complete an assessment successfully, providing a mechanism by which the quality of an assessment can be measured.

You will be provided with Grade-Related Criteria which are descriptions of the level of skills, knowledge or attributes that you need to demonstrate in order to achieve a certain grade or mark in an assessment, providing a mechanism by which the quality of an assessment can be measured and placed within the overall set of marks.

This information may be provided in programme handbooks, module specifications, on the virtual learning environment or attached to a specific assessment task.

You will be assigned a Personal Tutor as your primary contact. They will advise on academic matters and will monitor your progress throughout the programme, providing guidance and encouragement where required.

### Feedback on assessment

Feedback will be provided in line with our Assessment and Feedback Policy. In particular, you will normally be provided with feedback within three weeks of the submission deadline or assessment date. This would normally include a provisional grade or mark. For end of module examinations or an equivalent significant task (e.g. an end of module project), feedback will normally be provided within four weeks. The timescale for feedback on final year projects or dissertations may be longer. The full policy can be found at:

[https://www.city.ac.uk/\\_data/assets/pdf\\_file/0009/452565/Assessment-and-Feedback-Policy...pdf](https://www.city.ac.uk/_data/assets/pdf_file/0009/452565/Assessment-and-Feedback-Policy...pdf)

### Assessment Regulations

In order to pass your Programme, you should complete successfully or be exempted from the relevant modules and assessments and will, therefore, acquire the required number of credits.

The Pass mark for each module is 50%.

If you do not satisfy your resit by the date specified you will not progress and the Assessment Board shall require that you withdraw from the Programme.

If you fail to meet the requirements for the Programme, but satisfy the requirements for a lower-level Award, then a lower qualification may be awarded as per the table below. If you fail to meet the requirements for the Programme and are not eligible for the award of a lower level qualification, the Assessment Board shall require that you withdraw from the Programme.

If you would like to know more about the way in which assessment works at City, please see the full version of the Assessment Regulations at: [http://www.city.ac.uk/\\_data/assets/word\\_doc/0003/69249/s19.doc](http://www.city.ac.uk/_data/assets/word_doc/0003/69249/s19.doc)

## WHAT AWARD CAN I GET?

### Master's Degree:

Part	HE Level	Credits	Weighting (%)
Dissertation	7	60	33.3
Taught	7	120	66.7

Class	% required
With Distinction	70
With Merit	60
Without classification	50

### Postgraduate Diploma:

Part	HE Level	Credits	Weighting (%)
Taught	7	120	100

Class	% required
With Distinction	70
With Merit	60
Without classification	50

### Postgraduate Certificate:

Part	HE Level	Credits	Weighting (%)
Taught	7	60	100

Class	% required
With Distinction	70
With Merit	60
Without classification	50

## WHAT WILL I STUDY?

### Taught component

Most of the modules are compulsory, but if you have an academic background in Economics you may take up to two elective modules from those offered by the Department of Economics in their MSc programmes. All students may take one elective from the MSc programmes offered by the Department of Psychology.

You are required to take eight 15 credit modules plus a 60 credit dissertation. In order to obtain the MSc you must accumulate 180 credits which are achieved by taking eight 15 credit core modules plus a dissertation module worth 60 credits.

Module Title	SITS Code	Module Credits	Core/ Elective	Compensation Yes/No	Level
Principles of Economics	PEM101	15	C/E*	N	7
Cognitive and Economic Science of Rational Choice	PEM102	15	C	N	7
Psychological Processes: Individual and Social	PEM103	15	C	N	7
Behavioural Research Methods: Design and Analysis	PEM104	15	C	N	7
Experimental Economics and Game Theory	PEM105	15	C	N	7
Cognitive Psychology and Decision Making	PEM106	15	C	N	7
Applied Econometric and Psychological Research Methods	PEM107	15	C	N	7
Professional Aspects of Behavioural Economics	PEM108	15	C/E**	N	7

\* For students with a strong background in Economics, an MSc microeconomics module from the Department of Economics may be substituted for this module (see below).

\*\* All students may substitute an MSc module offered by either the Department of Economics or Psychology (see below).

There may be constraints as a result of timetabling and the need to ensure that each student follows a core programme. You may discuss this with your Programme Director.

### Full-time and part-time options

The programme is offered in two modes: full-time and part-time. The full-time option runs over one academic year (lectures held over two days per week); the part-time option, over two academic years (lectures held over one day per week).

<b>Module Title</b>	<b>Full-time (1 year); two days per week</b>	<b>Part-time (2 years); one day per week</b>
Principles of Economics	Term 1 (Monday)	Year 1; Term 1
Cognitive and Economic Science of Rational Choice	Term 1 (Tuesday)	Year 2; Term 1
Psychological Processes: Individual and Social	Term 1 (Monday)	Year 1; Term 1
Behavioural Research Methods: Design and Analysis	Term 1 T (Tuesday)	Year 2; Term 1
Experimental Economics and Game Theory	Term 2 (Monday)	Year 2; Term 2
Cognitive Psychology and Decision Making	Term 2 (Tuesday)	Year 1; Term 2
Applied Econometric and Psychological Research Methods	Term 2 (Monday)	Year 2; Term 2
Professional Aspects of Behavioural Economics	Term 2 (Tuesday)	Year 1; Term 2
Research Dissertation	Term 2-3	Year 2; Term 1-3

*Note.* The order in which modules are scheduled may be subject to change. Days of the week may be subject to change and are included for illustrative purposes only.

#### Programme electives

If you have a strong background in Economics, you may substitute for 'Principles of Economics' a microeconomics module from one of the MSc programmes offered by the Department of Economics. You may also substitute an appropriate elective from one of the MSc modules offered by the Department of Economics for 'Professional Aspects of Behavioural Economics' – this will allow a pathway through the programme that is focused on theoretical and research economic themes.

Appropriate electives may be chosen from the following current MSc programmes in the Department of Economics.

Business Economics  
Developmental Economics  
Economic Evaluation in Healthcare  
Economics  
Financial Economics  
Health Economics  
International Business Economics

All other students may substitute for 'Professional Aspects of Behavioural Economics', a module from one of the MSc programmes offered by the Department of Psychology. Appropriate electives may be chosen from the following current MSc programmes in the Department of Psychology.

Organisational Psychology  
Clinical, Social and Cognitive Neuroscience

**Note.** The availability of appropriate electives will be decided by the Programme Team and may be on a different day of the week to the MSc Behavioural Economics modules.

*Dissertation component*

In order to be eligible for the award of the MSc, you must complete the 60-credit dissertation.

Module Title	SITS Code	Module Credits	Core/ Elective	Compensation Yes/No	Level
Research Dissertation	PEM110	60	C	N	7

**TO WHAT KIND OF CAREER MIGHT I GO ON?**

The programme will equip you with a range of advanced systematic knowledge, critical skills and experience to enhance your employability prospects, both in terms of further research and applied occupations. The knowledge and skills acquired will be highly valuable in a range of sectors, some of which are shown below.

1. General economics consultancies.
2. Health economics consultancy developing sales/markets for products (from branded medicines to health insurance schemes).
3. Public policy specialists who advise on the choice architecture of decision making (e.g., transport decisions).
4. Political campaigns and public relations more generally.
5. General marketing, sales and consumer psychology (preferences, sensitivity to incentives, and default behaviour).
6. Brand awareness consultancies.
7. Financial trading and risk assessment.
8. Internet auction companies.
9. Design and search engine optimisation consultancies (e.g., websites)
10. Statutory regulatory authorities.

This MSc would be especially valuable as a professional complement if you already work in a profession which involves the need to understand the scientific dynamics of human choices and behaviour.

If you have an academic background in economics, electives from MSc programmes offered by the Department of Economics will enable you to develop advanced knowledge/skills in economics sufficient to lead to doctoral-level research or the

professional application of economics.

This programme of study is also appropriate for students who wish to pursue doctoral level research in psychology (e.g., decision science, economic psychology, and different areas of applied psychology).

If you would like more information on the Careers support available at City, please go to: <http://www.city.ac.uk/careers/for-students-and-recent-graduates>.

## HOW DO I ENTER THE PROGRAMME?

In order to be eligible for entry in to the MSc in Behavioural Economics you must have a first or upper second class degree in Psychology, Economics or a related discipline. An equivalent qualification from an overseas university will also be considered. Selection will be by application form, references and interview. It is **not** a prerequisite to have a background in Economics.

If your first language is not English, then the following qualifications will meet the English language requirement for entry to a postgraduate course of study:

- \* A first degree from a UK university or from the CNA.
- \* A first degree from an overseas institution recognised by City as providing adequate evidence of proficiency in the English language, for example, from institutions in Australia, Canada or the USA.
- \* GCE O-level/GCSE English language or English literature, grade C minimum.
- \* Cambridge ESOL CPE (Certificate of Proficiency in English) at grade C or above.
- \* An overall score of 7.0 in the English Language Testing System (IELTS) with a minimum of 6.5 for each subtest.
- \* A score of 100 in the internet-based Test of English as a Foreign Language (TOEFL).
- \* Satisfactory standard in the verbal section of the Princeton Test (GMAT).
- \* US SAT with 500 in verbal performance.
- \* Warwick English Language Test (WELT) with pass grades of BBC minimum.
- \* Other evidence of proficiency in the English language which satisfies the board of studies concerned.

### OVERSEAS QUALIFICATIONS

Equivalent qualifications from an overseas university will be considered.

### IT SKILLS

You will be expected to be computer literate.

### EQUAL OPPORTUNITIES

The Programme is committed to equal opportunities. The admissions decision will rest on the qualifications, needs and aspirations of the applicant.

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