

HUM-281

**Risk Savvy**

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Cursus	Sem.	Type
Humanities and Social Sciences	BA4	Obl.
UNIL - HEC	E	Opt.

Language of teaching	English
Credits	2
Session	Summer
Semester	Spring
Exam	During the semester
Workload	60h
Weeks	14
<b>Hours</b>	<b>2 weekly</b>
Courses	2 weekly
<b>Number of positions</b>	<b>80</b>

**Remark**

Une seule inscription à un cours SHS+MGT autorisée. En cas d'inscriptions multiples elles seront toutes supprimées sans notification

**Summary**

This course is devoted to the psychology of risk (How do people make decisions in real-life situations characterized by risk and/or uncertainty?) and to risk competencies (How to make better decisions in such situations?) It covers fields such as management, leadership, medicine, and finance.

**Content**

The content of this seminar and of our discussions is largely determined by the chapters of Gerd Gigerenzer's book "Risk Savvy" that we will read together during the semester. Its table of content provides the structure of the seminar, and is reflected in the titles of the sessions:

PART I: The Psychology of Risk

1. Are People Stupid?
2. Certainty Is an Illusion
3. Defensive Decision Making
4. Why Do We Fear What's Unlikely to Kill Us?

PART II: Getting Risk Savvy

5. Mind Your Money
6. Leadership and Intuition
7. Fun and Games
8. Getting to the Heart of Romance
9. What doctors Need to Know
10. Health Care: No Decision About Me Without Me
11. Banks, Cows, and Other Dangerous Things

PART III: Start Early

12. Revolutionize School

Each session (except for the first and the last) is centered around one chapter. For a given session, you will have to read the corresponding chapter and comment on it (written assignment). These comments will build the basis for a class discussion (moderated by you - who will be the moderator will rotate across sessions). In addition, there will be presentation of a background paper that has to be related to the target chapter. Who of you will present the background paper will also rotate across sessions. Most likely, the class discussions will be moderated and the background papers will be presented by two or three students, but this ultimately hinges on the number of students who will attend the seminar.

**Keywords**

risk, uncertainty, risk literacy, risk communication, absolute vs. relative risk

**Learning Prerequisites**

**Required courses**

none

**Recommended courses**

none

**Important concepts to start the course**

Basic knowledge about statistics would be helpful, but not absolutely necessary.

**Learning Outcomes**

By the end of the course, the student must be able to:

- Elaborate on the distinction between risk and uncertainty
- Give an example of how people can make irrational decisions in situations characterized by risk
- Give an example of how people can make irrational decisions in situations characterized by uncertainty
- Explain why people often misunderstand risks and fall prey to some fallacies in risk perception
- Apply Signal Detection Theory to medical testing
- Interpret (medical) test results
- Give an example of how risk communication can be used to help or hinder people to understand risks
- Contrast information and misinformation in the field of risk communication
- Illustrate how negative error culture may lead people to defensive (and often destructive) decisions
- Discuss the role of risk in various applied fields

**Transversal skills**

- Chair a meeting to achieve a particular agenda, maximising participation.
- Demonstrate the capacity for critical thinking
- Access and evaluate appropriate sources of information.

**Teaching methods**

Seminar. Each session (except for the first and the last) is centered around one chapter. For a given session, you will have to read the corresponding chapter and comment on it (written assignment). These comments will build the basis for a class discussion (moderated by students - who will be the moderator will rotate across sessions). Some of the sessions may include presentations by the course instructor or the teaching assistant.

**Expected student activities****INDIVIDUAL PROJECT**

Students will have to read one chapter per week and write a 200-250 word reflection essay (no summary; rather points of critique, how would you challenge the author, possible extensions, links, examples, counter-examples, what issues do you want to have discussed in the session, etc.). These essays will, at the end of the course, be grouped together, treated as your final exam, and graded.

**GROUP PROJECT**

Students will be divided into equally-sized groups (which implies that group size hinges on attendance) so that each student will be in exactly one group and responsible (with others of the same group) for one the sessions 2-13. The group of students in charge of a given session will have to read all reflection essays, identify the most interesting ideas / topics, prepare and moderate the discussion during the session. In addition, they will give a presentation of 15 minutes on a topic related to the chapter that will be discussed in this session. Practically this will mean that they have to find one (or several) scientific papers on a topic related to the target chapter and then present this (or those) paper(s). The group may split into two subgroups such that one subgroup is in charge of the presentation of (a) background paper(s), and the other subgroup is in charge of moderating the discussion of the chapter that everyone has read. Both subgroups will

meet with the professor and/or the teaching assistant and present what they have prepared for "their" session. In this coaching session they will receive feedback that will, ideally, help them to do a better job in class.

### Assessment methods

85% INDIVIDUAL PROJECT: reflection essays = final exam

15% GROUP PROJECT: session moderation and/or presentation of background paper

### Supervision

Office hours	Yes
Assistants	Yes
Forum	Yes

### Resources

#### Virtual desktop infrastructure (VDI)

No

### Bibliography

Gerd Gigerenzer (2014). Risk Savvy: How to make good decisions. New York: Viking/Penguin.

The book is available for purchase (new copy for about 11 SFR, e.g., on [abebooks.com](http://abebooks.com), [amazon.fr](http://amazon.fr) or [payot.ch](http://payot.ch), an e-book version exists as well). To give you some time to purchase the book, copies of the first chapters are available on the moodle. All other articles and book chapters that we will discuss in this seminar are available on moodle.

### Ressources en bibliothèque

- [Risk Savvy: How to make good decisions](#)

### Websites

- <https://www.hardingcenter.de/en>

### Moodle Link

- <https://go.epfl.ch/HUM-281>

### Videos

- <https://www.youtube.com/watch?v=g4op2WNC1e4>

### Prerequisite for

none