



COURSE UNIT (MODULE) DESCRIPTION

Course unit (module) title	Code
Behavioural Finance	

Academic staff	Core academic unit(s)
Coordinating: assoc. prof. Lina Garšvienė	Vilnius University Šiauliai Academy

Study cycle	Type of the course unit
First	Obligatory / Individual studies

Mode of delivery	Semester or period when it is delivered	Language of instruction
Blended learning	Spring	English

Requisites	
Prerequisites: Microeconomics, macroeconomics	Co-requisites (if relevant): -

Number of ECTS credits allocated	Student's workload (total)	Contact hours	Individual work
5	133	54	80

Purpose of the course unit		
Knows and recognizes the main principles of financial behavior in the context of new financial theories, identifies the factors determining the behavior of economic entities, predicts their possible impact on economic processes.		
Learning outcomes of the course unit	Teaching and learning methods	Assessment methods
Knows the behavior of individual investors, removing the effects of heuristics and psychological errors	Case analysis (case studies), Group work, Discussion, Interactive lecture, Literature analysis, Problem-based teaching, Traditional lecture	Exam, Group homework, Individual homework
Understands the expectations of individual and professional investors and is able to identify whether they are rational or irrational.	Work in groups, Discussion, Interactive lecture, Literature analysis, Literature review presentation, Problem-based teaching	Exam, Group homework, Individual homework
Able to identify the main features of an efficient and inefficient market.	Discussion, Literature analysis, Literature review presentation, Practical tasks, Problem-based teaching, Traditional lecture	Exam, Group homework, Individual homework
Understands the impact of market sentiment on financial markets and the mechanism behind the formation of financial bubbles and crises	Discussion, Information search task, Interactive lecture, Problem-based teaching, Traditional lecture	Exam, Group homework, Individual homework

Content	Contact hours							Individual work: time and assignments	
	Lectures / e-learning	Tutorials	Seminars	Workshops	Laboratory work	Internship	Contact hours, total	Individual work	Tasks for individual work
1. Fundamentals of Behavior finance	2			0			2	22	To study and distinguish the main Bogle, John C. (2017) to pp. 10-155. source basic investment rules, problem solving, exam preparation
2. Psychological aspects of investor behavior.	3			3			6		
3. Heuristics and psychological errors	4			4			8	20	Study Pompian, M. (2010) at least 2 selected articles (Common Mistakes and Basic Biases: DOI: 10.1002/9781118673430) and identify the main mistakes made by investors, problem solving, exam preparation
4. Rational and irrational behavior of individual and professional investors	4			4			8	20	Study Tufan, E., Engin, B., İmer, Y. and Aycan, M. (2019), "Who Wants to be a Millionaire? A Behavioral Economy Analysis*", Grima, S., Özen, E., Boz , H., Spiteri, J. and Thalassinou, E. (Ed.) Contemporary Issues in Behavioral Finance (Contemporary Studies in Economic and Financial Analysis, Vol. 101), Emerald Publishing Limited, Bingley, pp. 205-213. article https://doi.org/10.1108/S1569-375920190000101014 , problem solving, exam preparation
5. The efficient market hypothesis	4	1		4			9		
6. Market Sentiments	4			4			8		
7. Market anomalies	3			3			6		
8. Methodology for investigating investor behavior	3	1		3			7	20	Study Source - Cartwright, Edward. (2018) https://www.perlego.com/book/2193242/behavioral-economics-pdf and be able to distinguish environments and possible behavioral effects on the economy and companies, problem solving, exam preparation.
Total	27	2		25			54	80	

Assessment strategy	Weight %	Deadline	Assessment criteria
Analysis of a scientific article (text).	30	9 study week	Evaluation criteria of scientific article (text) analysis. The student must choose an article whose title topic must match (be related to) the topic of the subject. The student presents the scientific-empirical articles he likes to his colleagues and the teacher (briefly discusses their content when opening each one). A specific article is chosen with the approval of colleagues and the teacher. The student must prepare a comprehensive evaluation of the article. Prepares a presentation in which he presents the results of a detailed analysis of the article, emphasizing its methodology, model, research results, and possible applicability. Presentations of scientific article (text) analysis begin in the 8th week of the semester. The specific time is set by the teacher in agreement with the student. Evaluation criteria for the analysis of a scientific article (text): Clearly formulated analysis problem (0 - 1 point); the relevance and novelty of the article's research is revealed (0 - 1 point); summarized

			and purified the most significant problems and highlights are studied in the article (0 - 2 points); the research methodology is precisely identified and discussed, and their suitability for the purpose of the article is discussed (0 - 1 point); research results are accurately summarized, their applicability is clearly interpreted (0 - 2 points); the evaluation conclusions of the performed analysis correspond to the tasks raised during the presentation of the task and are based on logic and argumentation (0 - 1 point); formalization of the presentation meets the requirements established by the institution, the prepared Power Point presentation meets the requirements for presentations; when presenting the work, the student answers all the questions (0 - 2 points).
Group homework	30	Every third week during exercise.	Assessment criteria for group homework: while working in a team, students must solve the given tasks within a limited time or prepare a proposal to solve the recommended problem (they finish the task at home). During the exercise, students are divided into teams of 3-5 people and have to answer 10 questions, each of which is worth 1 point. 1-3 tasks can be performed during one exercise. Each team member receives the same assessment for the completed task. The average of completed group homework is 30%. final assessment. You have the opportunity to supplement and refine the task at home.
Exam	40	During the exam session	Exam assessment criteria: The exam is intended to check and assess whether the student has achieved the expected study results. It is up to the teacher to decide which outcomes will be tested in a particular exam task, but the student must be prepared to demonstrate that they have achieved all the intended outcomes. Comprehension of the knowledge of the subject, the ability to integrate and apply it in a complex manner, the ability to use mathematical and graphical methods of analysis of the researched questions are tested. The exam consists of questions (20% of the score - with possible answers), statements (30% of the score - confirming or refuting them and presenting arguments) and tasks (50% of the score - tasks requiring open questions and solving situations).

Author (-s)	Publishing year	Title	Issue of a periodical or volume of a publication	Publishing house or web link
Required reading				
Bogle, John C.,1929-	2017	Sveiko proto investavimas: vienintelis garantuotas būdas gauti sąžiningą grąžą akcijų rinkoje;		[Kaunas]: Leidybos studija, 2017. 258, [2] p. ISBN 9786098013412;.
Cartwright, Edward.	2018	Behavioral economics		(3rd ed., p. xxix). Routledge.
Grima, Simon, Özen, Ercan, Boz, Hakan, Spiteri, Jonathan, & Thalassinou, Eleftherios.	2019	Contemporary Issues in Behavioral Finance.		Emerald Publishing Limited.
Recommended reading				
Jurevičienė, Daiva, Bikas, Egidijus, Keliuotytė-Staniulėnienė, Greta, Novickytė, Lina, & Dubinskas, Petras.	2014	Assessment of corporate behavioural finance.		Procedia Social and Behavioral Sciences, 140, 432–439. https://doi.org/10.1016/j.sbspro.2014.04.449

Pompian, Michael.	2012	Introduction to Behavioral Finance. In Behavioral Finance and Wealth Management (pp. 1–2).		John Wiley & Sons, Inc. https://doi.org/10.1002/9781119202400.part1
Andrikopoulos, Panagiotis, & Vagenas-Nanos, Evangelos.	2017	Special issue of the Review of Behavioral Finance guest editors' introduction.		Review of Behavioral Finance, 9(2), 102–104. https://doi.org/10.1108/RBF-05-2017-0043
Montier, James	2010	Behavioural investing: a practitioner's guide to applying behavioural finance.		Chichester: John Wiley & Sons, 2010. xxii, 706 p. ISBN 9780470516706;.