York University
School of Administrative Studies
AP/ADMS 4508 Course Outline – Winter 2020

Money Behaviours

Tuesdays 4:00 – 7:00 p.m.

Classroom	HNE 031
Instructor	Dr. Jodi Letkiewicz
Office	204 Atkinson
Email	jodilet@yorku.ca
Office Hours	By appointment

Course Description

This course covers the aspects of human behaviours relevant to financial decision making. It explores financial decision-making and impediments to good financial decision-making, such as behavioural biases and cognitive limitations.

Learning Outcomes:

By the end of this course, you will be able to:

- Identify values and beliefs about money and understand how those values and beliefs shape financial decisions.
- Effectively use client evaluation assessments to recognize money scripts and money disorders. Understand how money scripts and money disorders influence financial decisions and financial well-being and develop effective strategies to work with clients.
- Understand how and when to refer serious cases to other qualified professionals.
- Evaluate and determine financial well-being of clients and communicate accordingly.
- Understand how cognition, emotions, and distractions effect financial behaviors and demonstrate strategies to recognize and adapt accordingly.
- Identify constraints that may impact the brain's ability to make decisions.
- Demonstrate how the use heuristics (mental short cuts) can lead to biases in our thinking and affect financial decisions.
- Define the elements of change. Develop and apply techniques to motivate clients to take action.
- Understand that choices can be presented to clients in different ways, and how the presentation of choices can influence their decisions (choice architecture).

Prerequisites: ADMS 3541

Required Texts

CFP Board (2018). *Client Psychology*. Chaffin, C. (Eds). 1st edition. Wiley. ISBN: 978-1119436263

Book is available on Amazon.ca or at the bookstore. There is one library copy at Bronfman and one copy reserved for this class, also at Bronfman.

Evaluation Scheme

Cornell Notes:	35%
Minute papers:	10%
Midterm paper:	20%
Final Project:	25%
Class participation:	10%
Total	**100%**

Weekly Cornell Notes

Each week you are expected to do the readings before class and complete a one-page summary using the Cornell Notes template. This assignment will be graded out of 20 marks. The grading rubric is in Moodle as part of the Turnitin assignment. CN assignments are due online the night before class (11:59pm).

Minute Papers

Minute papers are very short, in-class writing activities. They are usually in response to an instructor-posed question, which prompts you to reflect on the day's lesson. Minute papers may be given at the start, middle or end of class. They are not graded; you will receive full credit if you made a reasonable effort.

Midterm Paper

The midterm paper is a "Money Autobiography." The goal of this assignment is to identify attitudes, beliefs, behaviors, strengths, and vulnerabilities affected by your history with money. The paper should be approximately 2,500 words and should be a thorough reflection of what we covered in class and how it directly relates to you. We will have completed multiple surveys, a values exercise and several discussions about how money impacts us. This is your chance to put it all together and create a money autobiography for yourself. Further details are available on Moodle.

Final Group Project

The final group project will be based on the *Behavioral Change Framework.* Details will be announced in class.

Participation

Participation in this course is vital. You are expected to come to class, and to be open to sharing and listening. Your participation mark will be based on the level of effort you put into the class. A lot of work will be done in small groups and your participation and ability to get along with your group members is part of your participation. You are expected to deal with any conflicts that arise. This is part of the class and part of your education and training as financial professionals. There will be multiple opportunities for sharing and asking questions, in both small and large groups.

TOPICAL COVERAGE

Note: This section may change throughout the semester. It is your responsibility to attend class where all changes will be announced. Links are provided for some readings. For most academic papers you will need to use York Libraries for access.

Week 1: January 7

Topics:
Course introduction and overview
Values and attitudes related to money

Reading:
https://www.mindtools.com/pages/article/newTED_85.htm
https://www.psychologytoday.com/ca/blog/the-power-prime/201205/personal-growth-your-values-your-life

Week 2: January 14

Topics:
Financial Literacy and Financial Well-Being

Readings:

1. Financial Well-Being - A Conceptual Model and Preliminary Analysis
2. Financial Wellbeing in Canada
3. Fernandes, D., Lynch Jr, J. G., & Netemeyer, R. G. (2014). Financial literacy, financial education, and downstream financial behaviors. *Management Science*, *60*(8), 1861-1883.

Assignments Due: Cornell Notes

Week 3: January 21

Topics:
Money and Happiness

Readings:

1. Esteban Ortiz-Ospina and Max Roser (2019) - "Happiness and Life Satisfaction". Online at: https://ourworldindata.org/happiness-and-life-satisfaction
2. Dunn, E. W., Gilbert, D. T., & Wilson, T. D. (2011). If money doesn't make you happy, then you probably aren't spending it right. *Journal of Consumer Psychology*, *21*(2), 115-125.
3. Whillans, A. V., Dunn, E. W., Smeets, P., Bekkers, R., & Norton, M. I. (2017). Buying time promotes happiness. *Proceedings of the National Academy of Sciences*, *114*(32), 8523-8527.

4. Baucells, M., & Sarin, R. K. (2008). Does more money buy you more happiness? In *Decision Modeling and Behavior in Complex and Uncertain Environments* (pp. 199-226). Springer, New York, NY.

Assignments Due: Cornell Notes

Week 4: January 28

Topics:
Money Beliefs, Money Scripts, and Money Disorders

Readings:
1. Klontz, B. T., & Britt, S. L. (2012). How Clients' Money Scripts Predict Their Financial Behaviors. *Journal of Financial Planning*, *25*(11).
2. Client Psychology. Chapter 17. *Money Disorders and Other Problematic Behaviors*
3. Britt, S. L. (2016). The intergenerational transference of money attitudes and behaviors. *Journal of Consumer Affairs*, 50(3), 539-556.

Assignments due: Cornell notes

Week 5: February 4

Topics:
Cognition, Emotions, and Distraction

Readings:
1. Client Psychology. Chapter 8. *Cognition, Distraction, and the Financial Planning Client.*
2. Client Psychology. Chapter 15. *The Older Client.*
3. Klontz, et al. (2019). The Sentimental Savings Study: Using Financial Psychology to Increase Personal Savings. *Journal of Financial Planning*, *32*(10), 44-55.
4. Schwartz, B., & Ward, A. (2004). Doing Better but Feeling Worse: The Paradox of Choice. In P. A. Linley & S. Joseph (Eds.), Positive psychology in practice (p. 86–104). John Wiley & Sons Inc.

Assignments due: Cornell notes

Week 6: February 11

Topics:
Heuristics and Biases

Readings:
1. Client Psychology. Chapters 2 & 3: *Behavioral Finance & Understanding Client Behavior: Rational or Irrational?*
2. Client Psychology. Chapter 4. *Heuristics and Biases*
3. When Heuristics and Biases May Actually Improve Financial Decision-Making

Assignments due: Cornell notes

February 18

READING WEEK – NO CLASSES

Week 7: February 25

Topics:

The Behavioral Change Framework

Readings:

1. A practitioner's guide to nudging. BEAR at Rotman (U of T)
2. Designing for Behavior Change Toolkit. Bridgeable
3. Why do people fail to act on financial plans. BEAR @ Rotman (U of T)

Assignments due: Cornell notes

Week 8: March 3

Topics:

Influencing and motivating change

Readings:

1. Horowitz & Klontz. Understanding and Dealing with Client Resistance to Change. Journal of Financial Planning
2. Grubman, Bollerud, & Holland. Motivating and Helping the Overspending Client: A Stages-of-Change Model. Journal of Financial Planning
3. Klontz (2008). Facilitating Financial Health. Chapter to be announced.

Assignments due: Cornell notes

Week 9: March 10

Topics:

Influencing Change: Choice Architecture

Readings:

1. Client Psychology. Chapter 7. *Intentional Choice Architecture*
2. Yeske and Buie. Policy-Based Financial Planning as Decision Architecture. Journal of Financial Planning
3. Thaler, Sunstein, & Balz. Choice Architecture. The Behavioral Foundations of Public Policy, Ch. 25, Eldar Shafir, ed. (2012). Available for download at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2536504

Assignments Due: Cornell Notes

Week 10: March 17

TBD

Weeks 11 (March 23) & 12 (March 31)

Group Presentations

RELEVANT UNIVERSITY REGULATIONS

Academic Honesty: The Faculty of Liberal Arts and Professional Studies considers breaches of the Senate Policy on Academic Honesty to be serious matters. The Senate Policy on Academic Honesty is an affirmation and clarification for members of the University of the general obligation to maintain the highest standards of academic honesty. As a clear sense of academic honesty and responsibility is fundamental to good scholarship, the policy recognizes the general responsibility of all faculty members to foster acceptable standards of academic conduct and of the student to be mindful of and abide by such standards. Suspected breaches of academic honesty will be investigated and charges shall be laid if reasonable and probable grounds exist.

Students should review the York Academic Honesty policy for themselves at:

http://www.yorku.ca/secretariat/policies/document.php?document=69

Students might also wish to review the interactive on-line Tutorial for students on academic integrity, at:

https://spark.library.yorku.ca/academic-integrity-what-is-academic-integrity/

Grading Scheme and Feedback Policy: The grading scheme (i.e. kinds and weights of assignments, essays, exams, etc.) shall be announced, and be available in writing, within the first two weeks of class, and, under normal circumstances, graded feedback worth at least 15% of the final grade for Fall, Winter or Summer Term, and 30% for 'full year' courses offered in the Fall/Winter Term be received by students in all courses prior to the final withdrawal date from a course without receiving a grade, with the following exceptions:

Note: Under unusual and/or unforeseeable circumstances which disrupt the academic norm, instructors are expected to provide grading schemes and academic feedback in the spirit of these regulations, as soon as possible. For more information on the Grading Scheme and Feedback Policy, please visit: http://www.yorku.ca/univsec/policies/document.php?document=86

In-Class Tests and Exams - the 20% Rule: For all Undergraduate courses, except those which regularly meet on Friday evening or on a weekend, tests or exams worth more than 20% will not be held in the two weeks prior to the beginning of the official examination period. For further information on the 20% Rule, please visit: http://secretariat-policies.info.yorku.ca/policies/limits-on-the-worth-of-examinations-in-the-final-classes-of-a-term-policy/

Reappraisals: Students may, with sufficient academic grounds, request that a final grade in a course be reappraised (which may mean the review of specific pieces of tangible work). Non-academic grounds are not relevant for grade reappraisals; in such cases, students are advised to petition to their home Faculty. Students are normally expected to first contact the course director to discuss the grade received and to request that their tangible work be reviewed. Tangible work may include written, graphic, digitized, modeled, video recording or audio recording formats, but not oral work. Students need to be aware that a request for a grade reappraisal may result in the

original grade being raised, lowered or confirmed. For reappraisal procedures and information, please visit the Office of the Registrar site at: http://myacademicrecord.students.yorku.ca/grade-reappraisal-policy

Accommodation Procedures: LA&PS students who have experienced a misfortune or who are too ill to attend the final examination in an ADMS course should not attempt to do so; they must pursue deferred standing. Other students should contact their home Faculty for information. For further information, please visit: http://ds.info.yorku.ca/academic-support-accomodations/

Religious Accommodation: York University is committed to respecting the religious beliefs and practices of all members of the community, and making accommodations for observances of special significance to adherents. For more information on religious accommodation, please visit: https://w2prod.sis.yorku.ca/Apps/WebObjects/cdm.woa/wa/regobs

Academic Accommodation for Students with Disabilities (Senate Policy)

The nature and extent of accommodations shall be consistent with and supportive of the integrity of the curriculum and of the academic standards of programs or courses. Provided that students have given sufficient notice about their accommodation needs, instructors shall take reasonable steps to accommodate these needs in a manner consistent with the guidelines established hereunder. For more information, please visit the Counselling and Disability Services website at http://www.yorku.ca/dshub/

York's disabilities offices and the Registrar's Office work in partnership to support alternate exam and test accommodation services for students with disabilities at the Keele campus. For more information on alternate exams and tests please visit http://www.yorku.ca/altexams/

Please alert the Course Director as soon as possible should you require special accommodations.