

Name	BEHAVIOURAL FINANCE
Component modules	-
Scientific-disciplinary sector	ECON-09/B
Year of course and semester of provision	3rd year, 2nd semester
Teaching language	English
Didactic load in university formative credits	8
Number of hours of total assisted teaching activities divided between DD and ID	Delivered Didactic: 48 Interactive Didactic: 8
Lecturer	Marco Barone
Specific learning outcomes	By the end of the course, students will have acquired interdisciplinary knowledge in psychology and sociology, enabling them to address the main issues in finance from a critical and innovative perspective. In particular, the course will provide students with an interdisciplinary framework that enhances their understanding of the complexity of decision-making in economic and financial contexts. Throughout the course, students will acquire the knowledge required to identify, measure, and manage the risks faced by financial market participants, as well as to understand investor profiling in accordance with current European regulations. Particular attention will also be devoted to managing the main cognitive biases that affect corporate financial decision-making. The course will equip students with interdisciplinary concepts to understand and interpret major theoretical and practical developments arising from the integration of psychology, sociology, and finance, while critically evaluating traditional financial theories. By the end of the course, students will be able to recognize the principal cognitive biases and heuristics that characterize individual decision-making processes, both for consumers of financial products and services and for corporate managers. They will also understand the main distortions affecting collective decision-making in economic and financial contexts and will be able to identify the most common decision-making errors in both personal and professional financial choices. In addition, students will develop the ability to explain the origins of the anomalies observed in financial markets that cannot be fully explained by traditional financial theories. Upon completion of the course, students will be able to formulate proposals for the application of behavioral sciences to improve decision-making outcomes in pension planning, insurance, and investment contexts. By the end of the course, students will also be able to communicate the knowledge acquired effectively and to describe, using appropriate technical terminology, the key features of decision-making processes in finance.
Program	The course covers the following topics: - Introduction to the psychology of decision-making in economic and financial contexts. - Main heuristics and cognitive biases affecting investment, insurance, and pension decisions; the de-biasing process. - Prospect Theory and its applications in finance. - Financial risk: risk propensity, risk perception, and risk tolerance. - Risk profiling in investment decisions. - Psychometric instruments, personality indices, and behavioral assessment tools. - Market anomalies and investor sentiment in financial markets. - Behavioral corporate finance. - Limitations of Behavioral Finance and the origins of Neurofinance.
Types of didactic activities and relative methods of carrying them out	The course is delivered through 48 hours of face-to-face lectures, providing students with the theoretical foundations of behavioral finance and decision-making. Lectures combine conceptual explanations with the discussion of practical examples, empirical evidence, and real-world financial cases, fostering students' understanding of the interdisciplinary links between finance, psychology, and sociology.



	The course includes 8 hours of interactive teaching activities designed to promote active learning and student engagement. These activities comprise seminars led by academics and practitioners from related disciplines, offering students direct exposure to the interdisciplinary nature of behavioral finance. Students also participate in group work and classroom presentations, applying theoretical concepts to practical financial decision-making scenarios while strengthening their analytical, communication, and teamwork skills.
Learning evaluation methods and criteria	The assessment consists of an oral examination lasting at least 20 minutes and including a minimum of five questions. The oral examination is designed to assess students' knowledge and understanding of the theoretical foundations of decision-making in economics and finance, including decision-making models, principles of rationality and deviations from rational behavior, heuristics, cognitive biases and de-biasing strategies in investment, insurance, and pension decisions, financial risk, and market anomalies. Students are also expected to demonstrate their understanding of the contributions of psychology and sociology to banking and finance, including the discussion of key theoretical and empirical studies. The examination further evaluates students' ability to analyze and interpret major anomalies observed in financial markets and to communicate their knowledge effectively using appropriate technical terminology. An optional group project contributes to the final grade. The project consists of the preparation and oral presentation of a multimedia presentation based on a behavioral finance study assigned by the instructor. The project is awarded up to 3 additional points, which are added to the oral examination grade. Assessment is based on the originality of the analysis, the ability to critically discuss the selected study and its practical implications for finance, as well as the quality of the presentation, communication skills, and the appropriate use of technical language.
Criteria for measuring learning and assigning the final grade	The final grade is expressed on the Italian 30-point grading scale and reflects the overall achievement of the intended learning outcomes as assessed through the final examination.
Prerequisites	No prerequisites are required.
Didactic material used and recommended didactic material	Lecture slides and additional teaching materials provided by the instructor.