

Behavioral Finance - An Introduction and Current Issues

Summer Term 2026 – Guest Lecturer: Prof. Dr. Petko S. Kaley

Subject Description

This module examines behavioral biases, heuristics, and framing effects that may hinder the maximization of value in financial and investment decision-making. Behavioral finance studies how individual decision-making processes influence outcomes in financial markets. The module explores trading and investment behavior across different types of investors, including both individual and institutional participants, and across various market settings, with a primary focus on equity markets.

Intended Learning Outcomes

Upon successful completion of this module, students will be able to:

1. Critically identify behavioral biases, heuristics, and framing effects that may impede value maximization in corporate financial and investment decisions.
2. Critically evaluate how individual decision-making and behavior influence investment outcomes in financial markets.
3. Critically compare outcomes under efficient (“economically rational”) market frameworks with those observed in behavioral (“boundedly rational”) market settings.
4. Demonstrate how informed investors and corporate decision-makers can mitigate behavioral biases, heuristics, and framing effects to improve financial and investment decisions.

Prescribed textbook:

Nofsinger, John R., 2018. *The Psychology of Investing*, 6th Edition. Routledge Taylor & Francis Group, New York, NY 10017.

Attendance:

Attendance at all seminars within this intensive class is mandatory.

Timetable:

Wednesday, 27 May 2026 Classroom Teaching in Kä7/01.07

12:00 – 18:30 (12:00-13:15, 14:15-15:30, 15:45-17:00, 17:15-18:30)

Thursday, 28 May 2026 Classroom Teaching in Kä7/01.07

9:30 – 16:30 (9:30-11:00, 11:15-12:45, 13:45-15:30; 15:45-16:30)

Friday, 29 May 2026 Classroom Teaching in Kä7/01.07

9:30 – 16:30 (9:30-11:00, 11:15-12:45, 13:45-15:30; 15:45-16:30)

Monday, 6 July 2026 Project Presentations (online via Zoom)

9:30 – 15:15 (9:30-11:00, 11:15-12:45, 13:45-15:15)

Tuesday, 7 July 2026 Project Presentations (online via Zoom)

9:30 – 15:15 (9:30-11:00, 11:15-12:45, 13:45-15:15)

Exam: Seminar paper and presentation (Hausarbeit und Referat).

Part 1: Literature Review (75% of the final mark) and;

Part 2: Virtual Presentation – PowerPoint (25% of the final assessment mark)

Credit: 6 ECTS

Language: English

Admission: The course is open for Master Students of the following programs:

- Master BWL
- Master IBWL
- Master Finance & Accounting
- International Students (“Erasmus Students”)

Recognition of Credits:

- Master BWL: Modulgruppe Forschung
- Master IBWL (alt): Modulgruppe Internationale Betriebswirtschaftslehre (Wahlpflichtbereich b)
- Master IBWL (neu): Modulgruppe Betriebswirtschaftliche Forschung
- Master Finance & Accounting: Modulgruppe Methoden und Forschung aus Finance & Accounting

Deadlines

- Registration for the exam ("Prüfung") under "BFC-M-09: Behavioral Finance - An Introduction and Current Issues" through FlexNow till **Thursday, 30 April 2026 (23.59 hrs)**.
- De-registration from the exam till **Wednesday, 27 May 2026 (23.59 hrs)**.

Virtual Campus

There will be a Virtual Campus for this class. Students may register in the Virtual Campus until **Wednesday, 27 May 2026 (12.00 hrs)**, with their student email address (@stud.uni-bamberg.de) without a password. After that date a password will be required that will be communicated during the first classroom session.

Limited Access

The number of students to be admitted to the class is limited. Access will be granted following the principles of the University of Bamberg. Information about the enrolment will be communicated in the beginning of May.