

Course Overview

Success in firms and institutions depends on how well they are organized. Why do some organizations foster **cooperation** while others struggle with inefficiency? How do digital technologies reshape incentives and decision-making?

This course explores **organizational economics** and **digital transformation**, using game theoretical concepts and economic reasoning to analyze cooperation, incentives, AI-driven decision-making, and institutional change.



Key Topics

- ✓ Organizational Challenge & **Social Dilemmas**
- ✓ **Sacrifice**, Individual Rationality, and Preferences
- ✓ **Algorithmic Bias** & AI in Decision-Making
- ✓ (Behavioral) Game Theory & Strategic Interaction
- ✓ Institutional Change & **Organizational Cooperation**
- ✓ Repeated Games & Algorithmic Collusion
- ✓ Digital Business Models and **AI in Organizations**

Learning Approach

- ◆ Problem-Driven Approach & Interactive Format
- ◆ Hands-On Exercises & Food for Thought Questions
- ◆ Group Bonus Project: "AI for Cooperation in Organizations"

Motto

"Perfection is achieved, not when there is nothing more to add, but when there is nothing left to take away."

— Antoine de Saint-Exupéry



Course Format

-  Weekly Lectures & Exercises
-  Grade **bonus**
 - Two group presentation components, no written submission
 - Very helpful in preparing for the final written exam
 - Improve by one grade step (0.3/0.4), conditional on passing the (main) exam!
-  Final written **exam** of 60 minutes:
 - Calculations and/or multiple choice (~40%)
 - Writing a short **essay** using the concepts learned in the lecture (~60%)
- Practice and sample questions provided during exercise sessions!