

## Career Accelerator Lab

### Managing Emotions in Decision Making: The Case of Financial Market

Level of curricular unit: Master (2<sup>nd</sup> cycle, as defined in the Framework of Qualifications for the European Higher Education Area)

Academic Year: 2022/2023

Number of hours invested by student: 8

Group Size: 15-20

Points: 17

Instructor(s): Sebastian Christoffer

Contact(s): [sebastian.christoffer@outlook.de](mailto:sebastian.christoffer@outlook.de) / +49 160 98188735

#### Biography:

Having graduated with an MSc in International Management from CLSBE in 2019, Sebastian is working as an IT Management Consultant for the global consulting firm Accenture in Zurich, Switzerland. Besides, Sebastian works as a personal advisor on financial investments and insurance products with a particular focus on passive investment strategies, using cost-efficient market index funds. Sebastian's academic interest is in the study of human behavior and decision-making on financial markets (behavioral finance).

---

#### Workshop overview and objectives:

In this course, you will understand the close link and importance of managing emotions when taking and sustaining stock market investments. Using the Finametrika financial risk tolerance assessment, you will discover your own tolerance towards taking and accepting financial risks.

---

World Ranked – Triple Accredited – Award Winning



You will learn about investment strategies that you can directly apply and adjust to your measured risk tolerance. You will then have the hands-on experience of building up your own mock investment portfolio, and - by following its performance over the course of the workshop - experience and document your emotional reaction to changes in value.

---

### Workshop description:

This workshop aims to put you into the position to take rational decisions on the stock market and to find an investment strategy that is tailored to you and your individual risk acceptance profile. Using the Finametrica financial risk tolerance assessment, you will discover your personal risk tolerance, i.e. your ability to deal with temporary value changes to your portfolio.

Further on, the workshop will cover the basic concepts concerning personal investment strategies, focussing on topics such as diversification and passive investment strategies. You will then define your own investment strategy and based on that create a mock portfolio using an intuitive online platform. Your portfolio will either be based on the scientific concepts of diversification that we will discuss in class or you will create your portfolio according to your personal preferences and individual investment style.

However you decide, you will monitor and document your portfolio's performance between the two workshop sessions, taking particular attention on the related implications on your feelings and emotional well-being. You should be prepared to share the results of both your portfolio performance and the related implications on your emotional well-being in class during our second and final session.

---

### Required background:

While a general understanding of finance, investment theory and financial markets will be helpful, it is not required to participate in the course. All concepts will be explained without the expectation of previous knowledge.

---

### Extra-live session assignments:

- Finametrica risk tolerance assessment as a pre-task (15-20 mins)
- Creation of your mock investment portfolio in justetf.com after session 1 (20-40 mins)

World Ranked - Triple Accredited - Award Winning



- Regular tracking of the performance of your portfolio and your emotional reaction to the related value changes (5 mins per day)

### Grading:

Overall Pass / Fail

You must pass all components of evaluation to be approved:

- individual assignments (pass requires assignment delivery with all questions completed within deadline)
- contribution to class (pass requires attendance on time and for the total duration of the workshop, preparation, and active participation)
- During online workshops the cameras need to be on.

Career Accelerator Lab approval guidelines apply.

---

### Bibliography:

Markowitz, H. (1959): Efficient diversification of investments;

Montier, J. (2008): The Little Book of Behavioral Investing: How Not to Be Your Own Worst Enemy

Carrel, L. (2008): ETFs for the Long Run: What They Are, How They Work, and Simple Strategies for Successful Long-Term Investing.

---

### Expectations regarding session attendance:

You are expected to prepare for the session according to the instructions given, to be on time and to actively contribute to this session with your questions. Lack of materials or preparation will be considered by the instructor as inability to fulfil the session goals and equivalent to missing the session.

---

### Code of conduct and ethics:

Católica Lisbon School of Business and Economics is a community of individuals with diverse backgrounds and interests who share certain fundamental goals. A crucial element to achieve these goals is the creation and maintenance of an atmosphere contributing to learning and personal growth for everyone in the community. The success of CATÓLICA-LISBON in attaining its goals and in maintaining its reputation of academic excellence depends on the willingness of its members, both collectively and individually, to meet their responsibilities.

Along with all the other members of our community, students are expected to follow professional standards and CATÓLICA-LISBON standards of Academic Integrity. Some details should be mentioned here: Please arrive on time for class with uninterrupted attendance for the duration of the class. Signing an attendance sheet for anyone else in the class constitutes fraud and a violation of the CLSBE code of conduct. Use of computers and other electronic devices during the class is not allowed unless expressly requested by the instructor of the course. Students who persistently act in a disruptive and disrespectful manner during the class session may be invited to leave.

Students are expected to behave at all times according to the fundamental principles of academic integrity, including honesty, trust, fairness, respect, and responsibility. In particular,

---

World Ranked – Triple Accredited – Award Winning



In individual graded assignments of any type, students may not collaborate with others or use any materials without explicit permission from the instructor of the course;

In group assignments and reports, all students listed as authors should have performed a substantial amount of work for that assignment;

It is dishonest to fabricate or falsify data in experiments, surveys, papers, reports, or other circumstances; fabricate source material in a bibliography or "works cited" list; or provide false information in other documents in connection with academic efforts;

Plagiarizing, i.e. "to steal and pass off the ideas or words of another as one's own and or to use another's production without crediting the source" (Merriam-Webster Dictionary) is an Academic Integrity breach. It can be avoided by using proper methods of documentation and acknowledgement. Visit this guide for additional resources on how to avoid plagiarism in your written submissions <http://en.writecheck.com/plagiarism-guide>

In exams, students must not receive or provide any unauthorized assistance. During an examination, students may use only material and items authorized by the faculty. Use of smartwatches or other communication devices is not permitted during the exam.

Academic integrity breaches will be dealt with in accordance with the school's code of Academic Integrity: <https://www.clsbe.lisboa.ucp.pt/system/files/assets/files/academicintegritycode.pdf>

---

World Ranked – Triple Accredited – Award Winning

