



**NATIONAL INSTITUTE OF INDUSTRIAL ENGINEERING (NITIE)  
MUMBAI**

**(An autonomous body under the Ministry of Education , GOI)**



**Presents**

## *Network, Crowd and Market: Decision Making in a Connected World*

**Duration:** 27<sup>th</sup> September to 1<sup>st</sup> October 2021

**Total Hours:** 15 hours

**Program Code:** 1 22 2 16

**Professional Fees :** 7000 INR GST (18%) 1260/-

**Delivery:** Web -based Sessions

**10 percent discount is applicable for 3 or more participants from the same organisation**

**Introduction:** Social networks often determine exchange opportunities for trading goods and for launching creative partnerships. They diffuse political opinions, gossip, ideas and job offers. Sometimes they act as a large collective brain, aggregating information and thoughts wisely, and sometimes not so wisely. They affect how we value different goods and activities, and they provide essential insurance against a variety of contingencies which lie beyond the reach of formal insurance schemes. They are also the basic platform for wielding the sticks and carrots prescribed by many social norms. It is thus plausible that social networks play a central role in our lives, and in particular in our economic lives.

**Objectives of the course:**

- 1) Explain the role of economic and social network in different decision like purchase of products, hiring workers, venturing new market and other management problems.
- 2) Understanding financial contagions, transmission of risk and other decision making problems in the light of network theory.



**Course instructor**  
**Prof. Mainak  
Mazumdar,**  
**(Ph.D. Economics)**



**Guest Instructor**  
**Prof. Pradumn  
Pandey,**  
**Department of  
Computer Science  
and Engineering IIT  
Roorkee**



## **Detail Program Content:**

The role of network in market decision making : the strength of ties, Homophile,

Signed network Understanding Cooperation and Competition in Market.

Strategic Network Formation: An economic approach to network formation

Network Models of markets with intermediaries, Matching market,

Network Effect in Innovation, Tipping and Contagions: Positive externalities, strategic complements, path dependence, diffusion of innovation, and tipping in technology, financial, and product markets. Application: the rise of Microsoft and contagion phenomena.

Behaviour and learning Networks: Diffusion on Networks. Components, Cohesiveness and Contagion, Infection. Neighbourhood effects in Diffusion and Play.

Bayesian Learning on Networks, Bounded Rational Learning, Convergence of Beliefs, Influence.

Power Law and Rich getting richer phenomenon.

Networks and Markets. Empirical Studies of Bargaining and Trading on Networks, Experiments on Network Transactions, Price Dispersion, Labor Markets.

Bargaining and power in Network. Wealth Dynamics in Market

### **Outcome of the Program:**

A modern-day professional manager needs to have the ability to anticipate future changes and the ability to scan the external environment on a continuous basis. With an understanding of the role of network and linkages mentioned herein, he/she would be able to take effective strategic decisions by understanding the past patterns and at the same time having a firm view of the future. By undertaking this program, she/he should be able to appreciate the role of social and economic network in decision making.

### **Pedagogy and Design Elements of the Program:**

The mode of teaching and training for the course will be online. The course will run for 5 days with 3 hours each day. Participants will be provided important case study studies and material from contemporary text to develop the intuition and gain an in-depth understanding of the economic indicators. To make the course participatory in nature we may also encourage intense interaction among the participants by engaging them in games or group discussion.

Click below for Registration

<https://forms.microsoft.com/r/myCfPX4aAR>

For Further Details, Contact Course Coordinator

**Dr. Mainak Mazumdar** : Email: [mainak@nitie.ac.in](mailto:mainak@nitie.ac.in)

Mobile number: **9610926594/ 8169047143**

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Contact Office of Prof-in charge (Industry Connect), Sponsored Research & Industrial Consultancy (SRIC) NITIE, Vihar Lake Road, Mumbai – 400087 **Phone no:** 022-28035275 / 022–28035311

**Email:** [program@nitie.ac.in](mailto:program@nitie.ac.in) | [pic.eed@nitie.ac.in](mailto:pic.eed@nitie.ac.in)

**Website:** <http://www.nitie.edu>