Society for Judgment and Decision Making

Newsletter

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Contents

JDM Newsletter Editor
(Submissions & Advertisements)
Warren Thorngate
Psychology Department
Carleton University
1125 Colonel By Drive
Ottawa, Ontario K1S 5B6
Canada
(613) 520-2600 x 2706
fax (613) 520-3667
warrent@ccs.carleton.ca

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Secretary/Treasurer
Bud Fennema, Chairman, Department of Accounting and Ernst & Young Professor
College of Business
Florida State University
Tallahassee, Florida 32306-1110
Voice: (850)644-8231 Fax: (850)644-8234
bfennema@garnet.acns.fsu.edu

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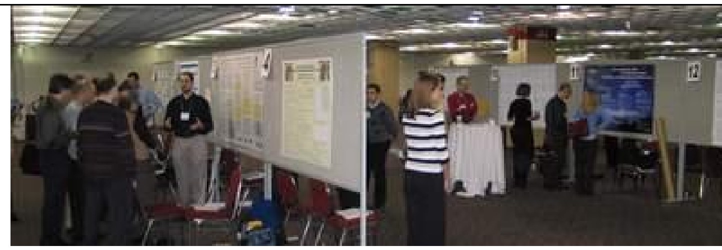
Scenes from a Meeting


A gathering crowd…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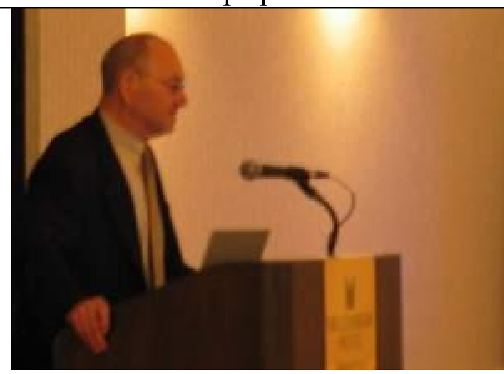
Malcolm Gladwell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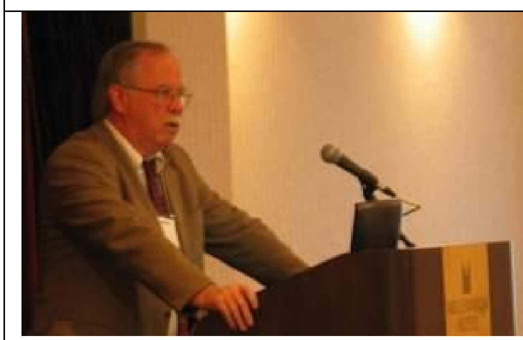
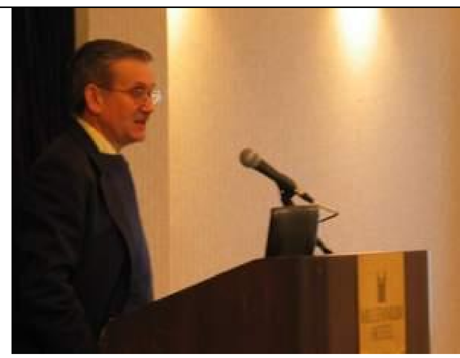
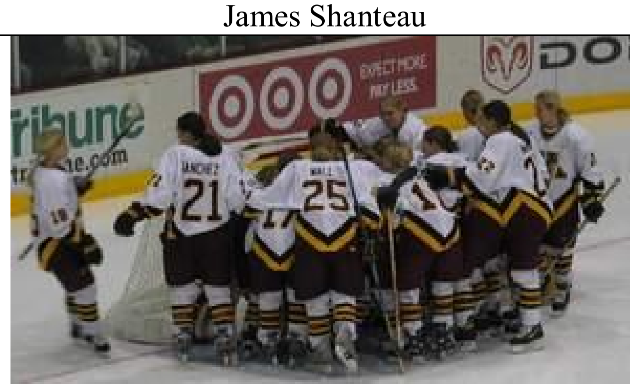

John Payne


James Shanteau


Eric Johnson


Bayesians display posteriors

Minutes of the Executive Board Meeting

Society for Judgment and Decision Making
November 19, 2004 (7:35-11:10 p.m.)
Minneapolis, Minnesota

Attendees

Dan Ariely, Maya Bar-Hillel, Terry Connolly, Richard Coughlan, Bud Fennema, Craig Fox, Eric Johnson, Josh Klayman, Jeryl Mumpower, Lisa Ordonez, John Payne, Ellen Peters, Sandy Schneider, Alan Schwartz, Warren Thorngate

Federation Discussion

Prior to the start of the Board meeting, Barb Wanchisen from the Federation led a discussion concerning the their representation of SJDM to congress. She noted that the NSF budget may be reduced by about $60 million and that it was uncertain how much this cut would affect the behavioral sciences. She encouraged members to apply for one of the many job openings at organizations such as the NSF, NIH, and NIMH. She also encouraged members to be persistent in grant applications and some useful areas of application were discussed. It was noted that Tom Wallsten was president-elect of the Federation for 2005.

Secretary/Treasurer's Report

2004 Board Meeting Minutes

The 2004 minutes were approved.

Treasurer's Report

Bud Fennema reported that the finances of the Society were in good shape. The 2003 report showed that income exceeded expenses by about $700 for the year and that we had about $21,000 in the bank at the end of the year.

Membership Count

Based on those members who had paid dues in the past three years, there were 839 total members at the end of 2003, compared to 907 at the end of 2002.

Other Discussion Points

- Bud will attempt to determine why Cambridge has not been paying royalties.
- The $10 hard copy directory price will remain unchanged.
- It was reported that an audit of the financial records would cost about $5,000 and a review would cost about $1,000-$1,500. It was decided to not purchase either of these services.
- The continuance of the Jane Beattie Award will be revisited next year. There is funding for two more awards.

Conference Coordinator's Report

Richard will leave as conference manager following the 2004 conference. He will help his replacement make the transition. He felt that meeting attendees should be able to receive better hotel rates and that he would be willing to help with the pre-meeting negotiations for the 2005 conference. It was his belief that a split with the Psychonomics conference would make conference coordination much easier. The possibility of hiring a conference coordinator was discussed, although that might be an expensive option. A discussion of the possibility of having an annual meeting separate from Psychonomics ended with the suggestion to poll members to gather their opinions on the possibility.

Pre-Registration Count
About 255 individuals pre-registered for the 2004 conference. This was a significant increase from the previous year.

Webmaster's Report

Finances
Alan reported that he did not require the $500 annual webmaster's stipend for 2005.

Online Statistics
There are currently 754 mailing list subscribers, which is an increase of 64 from last year. All members currently receive the newsletter on the web. Since January 2004, there have been 47,100 hits on the home page by 59,500 unique hosts (about 9000 unique domains). There are over 500 sites that have links pointing to our website.

Services
This was the fifth year of online abstract submission and review. It was the second year of online nominations and elections, with 65 members nominating 55 distinct candidates (with 26 accepting nomination). A total of 242 members voted in the election, compared with 182 last year.

Future Directions
Alan would like to have a "portal" system to replace the current home page/web site. This would allow for easier updating and archiving of information and it would distribute the ability to update site areas to others (e.g., the Board or the program committee). Also, we are moving toward a real-time membership database, with members being responsible for the online maintenance of their contact information instead of relaying that information to the secretary/treasurer.

Newsletter Editor's Report

Warren called for more material content for the newsletter. He also questioned the need for a newsletter in the future, given the web content available. It was suggested that we randomly identify members to submit items for publication.

Ongoing Committee Reports

Program Committee
Members include:

- Julie Irwin (through 2004) 2003 chair
- Craig Fox (through 2005) 2004 chair
- Dan Ariely (through 2006) 2005 chair
- Ellen Peters (through 2007) 2006 chair
- Alex Wearing (through 2004)
- Michael DeKay (through 2005)
- Rachel Croson (through 2006)

- Rebecca Ratner (through 2007)

Craig reported that the committee size has doubled and he outlined the various responsibilities of the committee members for their first through third years. He also noted that the program has been extended by one day and that we will have two speakers this year. Paper submissions were up 100 percent over two years ago, with about 220 submissions and about 80 acceptances. It was proposed that George Wu and Yuval Rottenstreich replace Julie Irwin and Alex Wearing for the program and conference tracks respectively. It was agreed that in the future volunteers would be solicited through the newsletter. It was proposed that the current and next year's program chair attend the Board meeting and that the entire program committee and the Board president should have their dinner with the speaker paid for by the Society (all other speaker dinner attendees pay for their own).

Publications Committee
Members include:
- Barbara Mellers
- Terry Connolly
- Reid Hastie
- *Beattie International Travel Award Committee*
- Members include:
- Peter Ayton
- Josh Klayman (chair)
- Martin Weber

This year's awardee is Talya Miron-Shatz for $700. There are enough funds in this account to award another two $600 awards.

New Business
Several funding issues were discussed, with the following decisions:
- The graduate student social event should be subsidized up to $300.
- If a proposal is submitted to the Board, the women's social event should be subsidized up to $300.
- The main social event spending should be capped at $1,000 to cover the room for the function.
- We will sponsor the Dawes Festschrift event for $500.

It was decided that there could be a check box on the registration for both the main social event and the women's social event.

Adjourn at 11:10 p.m.

Minutes of the Annual Business Meeting

Society for Judgment and Decision Making
November 21, 2004 (8:10-8:40 a.m.)
Minneapolis, Minnesota

Approximately 60 members attended the meeting.

Announcements and Acknowledgements – Eric Johnson

The new President Elect is John Payne and the new Executive Board member is Terry Connolly. Peter Ayton was thanked for his service as the outgoing Board member. Jeryl Mumpower will replace Hal Arkes as our Federation representative. George Wu is the new Program Committee member.

New Business – Eric Johnson

Richard Coughlan will be stepping down as conference manager, and volunteers for his replacement were solicited. Three Executive Board funding decisions were discussed. The Society will fund the Dawes Festschrift event for $500. Also $300 funding each will be available for the student social and the women's social if a proposal for an event is developed. It was proposed that members be polled to get opinions concerning a possible split of meetings between the Society and Psychonomics. It was noted that this decision has been a Society topic since about 1983. Finally, the Society will begin to collect written procedures for many of the functions needed to make the organization and the annual meeting operate smoothly. These procedures will be kept on the Society website and made available for continuous editing in order to make transitions by officers and committee members easier.

Report of the Secretary/Treasurer – Bud Fennema

The Society is financially sound. There were a record number of about 370 conference attendees this year, and there are 839 members who have paid dues in at least one of the past three years. Awards were discussed, with a suggestion that poster awards should be increased from their current $100 and $50 levels.

Program Committee Report – Craig Fox

The number of paper submissions were up forty percent from last year. It was asked that the membership give feedback to next year's committee to ensure another successful program.

Publications Committee Report – Terry Connolly

The committee has completed the migration from Cambridge University Press to Lawrence Erlbaum, our new publisher. Existing Series titles will continue to be sold by CUP, new titles will be under the LEA imprint. The committee reviewed one new book proposal in the last year, by David de Cremer, Marcel Zeelenberg, and Keith Murnighan. It is an edited volume on Social Psychology and Economics. Several favorable reviews have been received and we have given LEA the go ahead. Details are currently being negotiated. CUP seems to have given up sending us either sales figures or royalty checks, so Terry will be contacting them. John Payne is rotating off the committee and will not be replaced, returning it to its previous member size of three.

Federation Report – Hal Arkes

It was noted that Tom Wallsten is the new president of the Federation, and he asked that Society members consider subscribing to the Federation newsletter. It was reported that the 2005 NSF budget might be cut by approximately $60 million, which could be a serious issue for behavioral sciences funding. Society members were asked to consider application to one of the several vacancies within the various funding agencies.

Other Announcements

Josh Klayman announced that this year's Jane Beattie award went to Talya Miron-Shatz of Hebrew University. That fund will be exhausted with two more awards, so there may be an initiative to generate more funds. He also reported that Mike Dougherty is leading an effort to bring JDM research to the populace, and that Society members will be contacted to write short articles for magazines with Society by-lines.

Adjourn

2004 SJDM Student Poster Award Winners

Winner:
An Oskarsson
University of Colorado
Advisor - Gary McClelland
Poster Title - Prediction and generation of sequences

2nd Place:
Crystal Hall
Princeton University
Advisor - Alexander Todorov
Poster Title - When more information is less: The illusion of knowledge in the prediction of uncertain events

3rd Place:
Hannah Faye Chua
University of Michigan
Advisor - Frank Yates
Poster Title - Risk avoidance: Pictures versus numbers

Congratulations to all!

The First Women of S/JDM Event, Minneapolis 2004

Lisa Ordóñez
Management and Policy Department, University of Arizona

This project began with a conversation I had with Jennifer Lerner, Rachel Croson, and Gretchen Chapman at the 2003 S/JDM meeting in Vancouver. We were wondering why there are so many women working in the JDM field without tenure. Rachel mentioned that this phenomenon occurs in many research fields, and described her experiences with the Committee on the Status of Women in the Economics Profession. After some digging, her group discovered a body of research on this topic which suggested that many difficulties of women's career development could be traced to the lack of social networks and mentoring

We were interested in exploring this issue in our own field. As a first step we decided to hold a social event at the 2004 S/JDM meeting to investigate the need for networking and mentoring among junior women in our field. We planned a social event for Saturday evening at the conference hotel. We raised funds from a number of departments and colleagues, and publicized the event with a one-paragraph announcement in the conference program (it is reproduced below).

Over 50 people, the vast majority women, attended the social event. Several senior female faculty such as Maya Bar-Hillel, Robin Keller, Sandy Schneider and Elke Weber attended, as did many female graduate students, junior professors, and associate professors. The event took place in the Millennium Hotel's Dome room—a room at the top of the hotel with a glass dome that looked out on other Minneapolis skyscrapers. The event unfolded as had hoped—women meeting others with similar research interests sharing stories and contact information. In addition to conversations about research, other information about how to survive graduate school or the tenure process was exchanged. Very few of the conversations focused on what we often think of as women's topics (e.g., balancing work and family) and I don't think anyone was talking about feeling like a victim. We were just doing what every good researcher does—talking about our work and finding ways to improve it.

I received many positive comments from those who attended the event and they expressed the desire to hold other Women in S/JDM events at future meetings. We collected names and email addresses of attendees, and we will follow up with an online survey about future events. I would like to thank Rich Coughlan who organized the menu and the beautiful location, as well as Gretchen Chapman, Rachel Croson, and Jenn Lerner for their assistance. We received primary funding from the Risk and Decision Processes Center at the Wharton Business School with additional funding from the Carnegie Mellon Department of Social and Decision Sciences, the University of Arizona Management and Policy Department, and several S/JDM members.

Two more personal observations. First, I was somewhat surprised to find that some feathers had been ruffled at the conference. Some men felt excluded, and others (both men and women) felt that it was sexist to hold an event focusing on women. My sincere response was that <u>all</u> are welcome—if men would like to come, then they are more than welcome to attend. In fact, a few brave men did attend (notably Reid Hastie and Craig Fox). The best comment about the event came from one of my male colleagues. When someone questioned whether women should be concerned about networking with other women, he replied "Well, what do you think we do? We network with other men. So why shouldn't women do the same?"

Second, I have participated in few "women's organizations," primarily because I just never made the time to do it. I have to confess, I also didn't want to feel I was admitting that I was a "victim." Perhaps some of the objections of other S/JDM participants are based on a belief that holding such an event means that an obvious harm is being done by men against women. However, the research on gender issues in organizations suggest that the differences between men and women have very little to do with blatant sexism. For instance, our own Linda Babcock shows in her new book (*Women Don't Ask*) that women are less likely to engage in negotiations (for example, ask for a raise or a promotion) than are men. I believe that events such as ours can break the ice for junior women, to facilitate introductions and help them to construct a list of people they *can* ask about professional issues as their careers develop.

Event Announcement: Women of SJDM Reception

All are welcome to attend the first SJDM reception focusing on creating social networks among women faculty and graduate students conducting research in JDM. Many scientific research fields are experiencing a common trend: women entering graduate school do not make it through the ranks to become tenured faculty members. Scholars cite the lack of social networks as a major impediment to women researchers. This reception is designed to increase these social networks among women JDM researchers. The reception will be informal and substantial hors d'oeuvres will be served. This event is sponsored by the Risk and Decision Processes Center at the Wharton Business School with additional funding from the University of Arizona Eller College of Management, the Carnegie Mellon Department of Social and Decision Sciences, and several SJDM members. We look forward to seeing you there.

Should Decision Research Try to Be Useful?

Terry Connolly
University of Arizona

Members who attended the Society's meeting in Minneapolis last month were treated to an unusual plenary address. Malcolm Gladwell, author of *The Tipping Point* (Little, Brown: 2000) and of numerous articles for the *New Yorker* magazine, showed by example how we might overcome one of our longest-running gripes: that no-one listens to us. We generate mountains of subtle, interesting, potentially important findings, but the results seem rarely to escape from the journals to influence the world of affairs. Even those of us who, like me, earn our keep in business schools and other practice-oriented settings have a hard time convincing our students and clients that their decision making may be flawed and that our research points to ways in which it might be improved. Gladwell's talk suggested how we might do a better job.

He took as his theme the familiar research finding that decisions can sometimes be improved by excluding some information. Orchestras pick better musicians if candidates audition from behind a screen; hiring decisions improve if personal interviews are eliminated. Surely, then, the selection of CEOs could be improved if we could eliminate the apparent selection bias toward tallness (presumably by screening height information in some way). In example after example, the subtext was the same: Decision research has turned up the core results. All that is needed is that we get out and apply them.

Gladwell is an astute reader of our literature, a gifted writer, and an engaging speaker. Most of us left his session with renewed optimism: Maybe we can be useful after all. If the purpose of the plenary address is to stimulate and energize, Gladwell's was surely a triumph. But is he right? Is the way to increase our impact on the world simply to write better, to distill the core truths from our studies and show lay readers in clear, lively prose how these truths apply in their lives?

It's a tempting prospect, but I want to argue here that it's a mistaken one. This is not to give up the goal of being useful – like most of us, I would answer the question in my title with a resounding "Yes". And no one who reads or edits our journals would argue that we are overwhelmed by too much clear, lively prose. It's simply that framing the problem as one of translation seems to me to be a misunderstanding of the nature of our research and how it might be used to improve real-world decision making. As Gladwell and a few others have shown, translation can be done. The worry is whether or not the result will be better decision making in the arena to which the translation is made.

At its crassest, the translation approach, which I will refer to as Model 1, runs something like this. Suppose you had just discovered the overconfidence effect. A series of lab studies showed that undergraduates tended to overestimate their accuracy in answering general knowledge questions you culled from The World Almanac. On questions for which they were certain their answers were correct, they were right only 75% of the time, and similarly for lower confidence levels. You replicated this result with graduate students, with math problems taken from old SAT tests, and with various ways of assessing confidence. In short, your result appears to be robust. Are you now ready to venture, in your General Discussion section, into drawing out the practical implications of your findings for decisions concerning elective surgery, driving, or horse-race gambling?

I would argue that, whatever your rhetorical and interpretive skills, making such leaps is dangerous, even foolhardy. Your results give you essentially no reason to believe that surgeons, drivers or horse-race bettors are overconfident. What you have established in your lab is not a general truth but an existence theorem: At least some people are overconfident in some tasks under some incentives and some ways of measuring confidence and accuracy. You have learned essentially nothing about the domain of this claim, about what *other* people will do in *other* tasks under *other* incentives, using *other* measures and in circumstances that differ from your studies in myriad, unknown ways. Beware verb tenses. You are reporting what *happened*, not what *happens.* What you found is what *these* people did in *these* tasks. What you do not know is what *other* people will do in *other* tasks, let alone what people *generally do* in *all* tasks. The challenge of external validity or generalization is not solved by grammatical prestidigitation, by switching verb tenses while no-one is looking. Model 1 is an over-optimistic approach, implicitly relying on a belief that we can learn broad truths about human (decision) behavior on the cheap, by running a few studies and then doing the translation to new contexts by clever writing.

We all know, of course, that broad truths cannot really be won so cheaply. If we are serious about the external validity of our theories, we need replications across tasks, subjects, times, and instantiations of our conceptual variables. The goal is to build a theory that transcends these variations, so as to be applicable to all variations. I'll label this the Model 2 approach to being useful. We need altered replications: studies of confidence and accuracy in surgeons, drivers and gamblers – and in investors, golfers and, yes, weather forecasters. We generally won't have any very clear guidelines about which of these replications should be done, just some informal hunch that they seem to be usefully different from one another. There is no special requirement that each replication be useful in an applied sense, only that it is different from the studies that precede it.

It is conceivable that each of these assorted replications will keep on replicating the original result, but no good example comes to mind. Much more plausibly we will end up with a pile of results, some confirming our first finding, some showing the reverse, or nothing, some with large effects, some with small. Now, if we are very smart and very persistent, we can start to formulate a contingency theory of confidence. Perhaps people are overconfident in one set of conditions, well-calibrated in another, and underconfident in a third. More studies are needed to investigate the moderators. Years, decades, later, we totter out to receive our lifetime achievement award for our massive integrative book *A General Theory of Judgmental Confidence.* Now, finally, we are ready to write the brilliant popular article that will help every reader make better decisions – assuming, of course, that overconfidence was their problem to begin with. Model 2, clearly, presents a thoroughly pessimistic prospect of how, and how soon, our work will be useful. It suggests that application can start only after theory is finished. This is not a recipe for speedy impact.

What, then, is to be done? Is there a Model 3 that offers some hope of practical utility in less than a lifetime? I think there is, but it requires two things: modesty about what we are doing, and the development of new skills, perhaps a new discipline, to do what we are not doing. The modesty requirement is straightforward. Model 3 proposes that we take our small lab findings for what they are: evidence for a theory with a very small domain of applicability, that of the population, task and measures of the original study. When we are asked whether or not our overconfidence results apply to orthopedic surgeons, investment counselors or cab drivers, we say "Good question: Let's find out". Our lab work gives us a head start: Ideas, instruments, analytical routines, suggestive literature, hypotheses. If nothing cleverer occurs to us, we can always test the general hypothesis that surgeons, investors and cab drivers are just like undergraduates. Whether the hypothesis is sustained or rejected, we are pretty much assured of an interesting result. And, crucially, no translation will be needed to make our results relevant to the new domain of application: that's where they came from. No external validity concerns apply; internal validity will be all we need.

Notice that Model 3 does not abandon the goal of grand theory-building. It simply allows some of the evidence on which theory will be built to emerge from a series of lower-level application studies. We do not need to wait until the studies of surgeons, drivers, gamblers, golfers and the rest are all finished and the grand theory has been built before we can say something useful. Each of the studies along the way was undertaken with the goal of being useful in itself, now rather than later. As with thermodynamics and steam engines, successful practice can lead, as well as follow, the development of underlying theory -- and it is certainly easier to get the necessary research funded!

The new discipline implied in Model 3 is the world of a professional who conducts these application studies: a "decision engineer", let's say. As with every engineering discipline, decision engineering (DE) would have one foot planted firmly in the world of basic research, the other in the world of application and craft. My own initial training was in engineering, and I still recall the shock of finding how poorly my education in electrical theory prepared me for solving real electrical engineering problems. I had to learn the practice of the profession and the analysis of real problems before my training in basic theory was of any practical use. Decision researchers have given essentially no thought to what the equivalent bridging work would entail for our discipline, and how we might train students (or ourselves) for it. If we really intend to be useful, we need to think seriously about what the bridging work will take. (Decision Analysis, though related, will not be a perfect model, since it draws the core of its theoretical underpinnings from the prescriptive side of our discipline. Medical decision making may offer a more informative model).

If DE is to flourish, it will need new training programs, new career lines, new journals, new funding and new incentive structures. As decision researchers we tend to look down on "mere application", and see little reason to publish articles reporting application successes and failures unless they contribute to the basic research itself. Decision engineering, to the extent it is practiced at all, is done by amateurs, decision research types like us, whose real professional commitments are to basic research, and who see few professional rewards for taking applications seriously. Little wonder that, for most of us, the effort to be useful is limited to a few half-hearted speculations in the discussion sections of our papers.

So: Should decision research try to be useful? Judging from the flurry of coffee-break and lunch-time conversations that followed Gladwell's talk, I would guess most of us would say "yes", but with qualifications. Surely not, if being useful means tacking a paragraph of unfounded speculation about practical implications onto our discussion sections. Such a Model 1 approach looks like a recipe for discrediting ourselves and misleading our readers. Perhaps, for the more patient of us, Model 2 offers some promise, if we are prepared to wait until we have built a successful general theory before we start the application agenda. Cumulative Prospect Theory would presumably be our most promising current entrant in this race, but I'd guess that few of us see it as ready to serve as our sole guide in our next life or death decision. The rest of our theorizing is far less developed than is CPT, so real Model 2 applications will be a long time in the future.

My own qualified "yes" thus turns on Model 3. Being a little more humble about what we have discovered still leaves us with a useful tool kit with which to attack interesting applications, but a question kit rather than an answer kit. The work will require new skills and perspectives of the sort I have sketched as "Decision Engineering", perhaps emerging as a new professional specialty, perhaps as an extra skill set for existing decision researchers. Whoever takes on the work, the Model 3 approach seems to me the best prospect for work that is both practically useful and intellectually defensible – a basis for a solid "yes" to the question posed in my title.

Should we try to be useful? I think that we should, and that Model 3 provides an outline for how to go about it.

Acknowledgment: The comments of Lisa Ordóñez, Mike Doherty, Howard Raiffa and Jochen Reb on an earlier draft of this note are gratefully acknowledged.

Teaching decision making: The politics of error

Warren Thorngate, Carleton University

Few students in my department are attracted to decision making research. Many find it unfathomable or irrelevant. Many view competing areas such as positive, forensic, developmental and health psychology as less demanding, more tangible and interesting. Why, some ask, should they read difficult, boring, technical articles about preference reversals or cognitive distortions in order to compete with frequently-published neurotics for overly-stressful jobs in up-themselves business schools? I am still looking for a good answer.

Perhaps decision making cannot compete for good students with the lure of cooing babies, the thrall of serial killers or the dream of a lucrative private practice. But if we wish to try, then it is probably worthwhile to remember that preferences are governed by emotions as much as by cognitions, and that students prefer courses evoking pleasant ones. What pleasant emotions can decision making research provide? The most obvious is understanding, the five-second jolt of "Ah-ha!" aesthetic pleasure so powerful that we often read for hours, or conduct research for years, in hopes of experiencing it. My experience teaches me that students often feel a jolt of understanding when making links between ideas of our discipline and observations of the real world. So do we. Consider, for example, the recent puff of pride we had when US government and press reports mentioned *groupthink* as a possible explanation for the large sample of US presidential errors of judgement in Iraq. Or consider the considerable pleasure of Scott Plous and Phil Zimbardo noting contributions of social science, including ours, for understanding and perhaps reducing terrorism (http://chronicle.com/free/v51/i03/03b00901.htm). Perhaps life is not be more pleasant when see through our lens, but it is often more understandable. Pupils do dilate. Sometimes teachers do too.

There are surely hundreds of ways to induce the "Ah-ha!" experience of understanding in a decision making class, and as many ways to undermine it. My students rarely express even a subdued "Gosh" or "Gee" or "Cool" when shown a computer simulation, a stock market demonstration or an insightful explanation of a medical misdiagnosis. Such examples, delicious to those of us who teach them, seem to be an acquired taste – like publishing, path analysis or opera. Other examples are more likely to engage abecedarians in animated discussion, from where we hope a jolt ah-ha will emerge.

Here is one example that has given me some success in setting the stage for an ah-ha experience. Whenever I introduce the wonderful concepts of alpha and beta errors, errors of inclusion and exclusion, false positives and false negatives, sins of commission and omission, misses and false alarms, I encourage students to consider how they would respond to each. To provide some context, I first ask them to imagine that they are desperately looking for a good job in a small business. (Any other limited resource -- scholarships, research grants, journal space, hospital beds, etc. -- can be substituted to suit the interests of the audience.) We review the familiar four possible outcomes, noted in Table 1. Then I encourage them to tell each other what they would feel and do (1) if they were offered the job by mistake knowing that others with better qualifications were rejected, and (2) if they mistakenly did not get the job knowing that someone with inferior qualifications got it.

Table 1. Errors of commission and omission in employment decisions.

		Is applicant qualified for the job?	
		Yes	No
Does employer offer the job?	Yes	Good decision	Inclusion error
	No	Exclusion error	Correct rejection

Most students express rather sheepish reactions to the error of inclusion, to mistakenly getting the job. Many note that they might feel a bit guilty about winning over more qualified applicants, but would also feel very happy for the job offer. Few express a strong desire to tell the business owner that a mistake was made, or to suggest that the job be given to someone more qualified. The phrase “Keep my mouth shut” is frequently expressed.

In contrast, most students express considerable indignation in their reactions to the error of exclusion, not landing the job for which they believe they are qualified and deserving. The words *unjust*, *unfair*, *prejudiced*, *biased*, *discouraged*, *indignant* and *angry* enter the discussion, a dramatic contrast to the reactions of an inclusion error, and indicate that exclusion errors prompt far more negative reactions than do errors of inclusion.

Next, I ask students to imagine they own the business and must choose a qualified applicant. I again encourage them to discuss what they would feel and do (1) if they mistakenly offered the job to someone who was not qualified, and (2) if they mistakenly did not offer the job to someone who was qualified.

If the discussion is typical, a fascinating reversal in commentary can be heard. Taking the role of the owner of the business, students complain about wasting money and effort hiring an unqualified applicant, and about putting the business at risk. Reactions to rejecting a qualified applicant range from defensive to smug. Popular phrases include “I can’t hire all the qualified people.” “If you were really qualified, would find another good job.” “Life isn’t always fair.” and “Get over it!” Such reactions illustrate that owners are more concerned with avoiding errors of inclusion than errors of exclusion.

Two different perspectives, two different and predictable sets of reactions to inclusion and exclusion errors. Now the fun begins. If you ask students what political implications these two reactions have, they should quickly discover an interesting connection to the left-right political spectrum. The applicant’s reactions to errors of exclusion are those of classic political liberals, fighting the left-wing fight to give qualified people what they deserve. The business owner’s reactions to errors of inclusion are those of classic political conservatives, fighting the right-wing fight to protect what they own. It is interesting to note that the left-wing reaction is based on desire for gain, and the right-wing reaction by fear of loss. It is also interesting to note that if students can shift their values by playing the two roles, they demonstrate that left-wing and right-wing values are more closely associated with where they are than with who they are. Which would account for poor, young left-wingers who reverse their politics when they become old and rich.

The same pattern extends far beyond a hiring decision. Students enjoy considering other examples: universities choosing applicants, scholarship committees making awards, American/Canadian Idol judges assessing talent, Olympic committees judging figure skating, prospective life partners choosing mates. Professors have their own list: tenure committees, editorial boards, granting agencies and such. In all these examples, people who seek a decision have a vested interest in favourable outcomes, and try to obtain them by minimizing the chances of exclusion. People who make decisions have a vested interest in preserving the institution they represent, and pursue their interest by minimizing the chances of inclusion.

Alas, if errors exist, it is mathematically impossible to minimize both kinds at once. Students can consider the extremes. We can avoid all inclusion errors simply by excluding everyone; Rejecting all applicants from university, for example, guarantees that no unqualified students will pollute the halls of ivy, but it also maximizes the chances that qualified students will not receive a higher education. Inversely, accepting everyone for university minimizes the chances that qualified students will be excluded, but maximizes the chances that unqualified students will fill the classrooms.

What to do? Most research in judgment and decision making, like research in psychometrics, stresses only one of two strategies: reduce errors by increasing the accuracy of judgments. Does your university entrance exam correlate only +0.13 with university success? Then develop a better exam, perhaps one that correlates +0.23 with university success. Are your judges ignoring important information? Then train them, select them, or give them mental prosthetics to make use of more information, perhaps increasing their diagnostic accuracy from 30% to 50%.

Most students will see nothing wrong with the noble strategy of increasing diagnostic accuracy to reduce errors, but the smart ones will also see its limitations. No judgment, no matter how accurate, guarantees that qualified people will receive what they desire, or that unqualified people will not. A just distribution of resources requires sufficient resources to distribute to the deserving. If resources are insufficient, errors of exclusion will persist, even if errors of inclusion are eliminated.

To illustrate, consider the examples in Tables 2 and 3. Table 2 shows one case in which 100 people apply for some reward, 30 of whom are deserving and 70 of whom are not. In this case, there are enough resources to reward 30 people, but the criteria for assessing deservingness are fallible, so 20 errors are made: 10 undeserving people are rewarded and 10 deserving people are not. If the validity of the criteria were improved, or if the judges were improved, we might reduce the inclusion and exclusion errors to 5 or 3 or 0. With perfect validity, no errors would be made; everyone would get what he/she deserved.

Table 2. Possible outcomes when rewards are sufficient but judgements are fallible

		Deserving?		
		Yes	No	total
Rewarded?	Yes	20	10	30
	No	10	60	70
		30	70	100

Table 3 tells a different story. In this case there are only enough resources for 6, not 30, rewards. The same fallible criteria in Table 2 are applied here, so 2 undeserving people receive rewards as do 4 deserving people. Students can compare the two tables to note what has happened to the errors of inclusion and exclusion. They will likely note that reducing resources affects exclusion errors far more than inclusion errors. For example, Table 3 shows that, while errors of inclusion dropped from 10 to 2, errors of exclusion grew from 10 to 26. Even with perfect validity little would change; we would reduce the errors of inclusion from 2 to 0, but 24 of 30 deserving people would still go unrewarded. The result should make students wonder if it is really worthwhile to invest time and effort in reducing judgment errors when resources are insufficient to reward everyone deemed deserving. Students might also wonder about utility of valid judgments at the other extreme, when resources are so abundant that everyone, deserving and undeserving, can have what he/she wants – a feat approximated by consumer cultures largely by borrowing resources from the future.

Table 3. Possible outcomes when rewards are sufficient but judgements are fallible

		Deserving?		
		Yes	No	total
Rewarded?	Yes	4	2	6
	No	26	68	94
		30	70	100

Student discussion can also be directed at the fascinating issue of how anyone can define deservingness. The psychological literature ties deservingness to notions of merit and need. Social psychologist are quick to note that deservingness is socially defined. Most people believe they deserve most things; rare is the person who confesses to an excess of money, luck, happiness or any other life goody. Tables 2 and 3, above, assume that 70 of 100 people are undeserving, but the number is entirely arbitrary. Ask any 100 people if they deserve to be rewarded, and far fewer than 70 are likely to say “No.” – especially in our era of entitlement. If correct, then limited resources would exclude not only a large number of truly deserving people but also a larger number of self-defined deserving people.

And what happens to these people who experience a judgment error? As suggested by the popular student reaction to being erroneously rewarded, most people experiencing an error of inclusion do not complain. People who are erroneously unrewarded do complain. In my career, for example, hundreds of students have complained about receiving a lower grade than they believed was deserved. I have never had a student complain about receiving a higher grade than was deserved. The complaints sometimes get desired results, providing a nice does of partial reinforcement to sustain the behaviour. Other times, complaints lead to speeches about sore losers, sucking it up and getting over it.

What happens to people who experience multiple exclusions? Ask your students. Some of them will probably suggest that multiple rejections lead to depression and despair; indeed, this is probably the most common reaction. But it is not the only one. Ask your students where revolutionaries come from. Deserving people who are rewarded do not become revolutionaries. Undeserving people who are rewarded do not become revolutionaries. Revolutions are bred from errors of exclusion. They are usually led by very talented people who have legitimate complaints about their exclusion. They are usually joined by people who have illegitimate complaints about their exclusion, simply because these people have something to gain and nothing to lose. So we ask our students, if a revolution is successful, what proportion of the new order will deserve their rewards? How does it compare with the proportion in the old regime? Can the difference account for why so many successful revolutions soon go sour?

There is no guarantee that finding such links between the microscopic world of judgment errors and the telescopic world of revolutionary politics will generate a desired jolt of ah-ha experience. But the search for such links can usually carry a discussion for several hours, even generate a few essays, which makes it a good candidate for education and for the recruitment of new judgment and decision researchers.

Suggested readings

Einhorn, H., & Schact, S. (1977). Decisions based on fallible clinical judgment. In M. Kaplan & S. Schwarts (Eds.), *Human judgment and decision processes in applied settings*. New York: Academic Press, pp. 125-144.

Thorngate, W. (1988). On the evolution of adjudicated contests and the principle of invidious selection. *Journal of Behavioral Decision Making*, 1, 5-16.

Thorngate, W. & Carroll, B. (1987). Why the best person rarely wins: Some embarrassing facts about contests. *Simulation and Games*,18, 299-320.

Jobs, jobs, jobs

[Note: some of these job announcements have been previous circulated to the SJDM mailing list, but a little repetition now and then is a good thing.]

INSEAD

The decision sciences area at INSEAD invites applications for a faculty position (rank open). Applicants should have a research interest in judgment and decision making, broadly defined. INSEAD is an international business school with top-ranked MBA and executive programs and a successful PhD program. The school has campuses in Fontainebleau, France and in Singapore, and offers salaries and benefits competitive with top US business schools. To learn more, visit www.insead.edu/facultyresearch/ds/index.htm. Interested candidates should send a cv, research statement, and representative papers by E-mail to jack.soll@insead.edu. Hard copies may be sent to: Professor Jack Soll, Decision Sciences (Faculty Search), INSEAD, Boulevard de Constance, 77305 Fontainebleau Cedex, France. Review of materials will begin on January 15, and will continue until the position is filled.

Experimental-Behavioral Postdoc in Water Resources Management
Center for Research on Environmental Decisions, Columbia University

The Center for Research on Environmental Decisions (CRED) is seeking an outstanding researcher for a post-doctoral position as part of an interdisciplinary research project on water-sector decisions in semi-arid regions, emphasizing NE Brazil. The research focus is group decisions on water allocation in the context of innovative information inputs (including stream flow and/or precipitation forecasts) and potential water allocation mechanisms. The post-doctoral researcher will lead in application of experimental research, with economists, anthropologists, psychologists, hydrologists, climate scientists, and others.

Qualifications: Candidates must have a Ph.D. in economics or other appropriate field and experience in design, execution and analysis of experimental research. Also desirable are: experience with multi-stakeholder, natural resource (particularly water) management; and Portuguese in particular and/or Spanish. Work will be at Columbia University, with some travel for field experiments.

Please submit your CV; a statement of your relevant past work; and the names, addresses, and telephone numbers of three references to: Leslie Wright lmw84@columbia.edu
Review of applications will begin on January 31, 2005 and will continue until position is filled.

Funding Opportunities

Members of the Society for Judgment and Decision Making and the Brunswik Society may be interested in the research opportunities [below].

Robert M. Hamm, PhD
Director, Clinical Decision Making Program
Department of Family and Preventive Medicine
University of Oklahoma Health Sciences Center
900 NE 10th Street, Oklahoma City OK 73104

405-271-5362 ext 32306 Fax 405-271-2784
http://www.fammed.ouhsc.edu/robhamm/index.htm

Decision-Making Research Interests of the Office of Cancer Survivorship (OCS)
Some of the newest targets of interest in the burgeoning field of cancer-related decision-making research are the members of the growing population of cancer survivors. While many investigators are familiar with studies that examine health-related decision-making in the context of cancer prevention (e.g., lifestyle choices, wellness behaviors), early detection (e.g., utilization of screening techniques such as PAP smears, mammography, colonoscopy, PSA tests) and even treatment selection, few realize that those on the other end of the cancer control continuum, post cancer treatment, face a number of new and previously unexplored challenges to decision making. By virtue of their longer term life expectancy, many survivors are now becoming candidates for primary (changing health behaviors to prevent new cancers) and secondary (screening for other age-related cancers) prevention, not just tertiary prevention (screening for a cancer recurrence).

Research shows that cancer survivors are high health care utilizers owing to the effects of their cancer and the long-term or late sequelae of treatment approaches for cancer. At the same time, given that the majority of survivors (60%) are also over the age of 65, significant numbers have or are at increased risk for age-related comorbid conditions that will demand care. Despite this, little systematic research exists on how survivors make decisions about their health and behaviors once active cancer treatment ends. In particular, we do not know how cancer survivors decide whether to engage in follow-up care; whom to see for this; when to consider a given symptom worth attending to; whether to adopt lifestyle changes, and if so, which ones; if they will adhere to a given schedule of care or maintenance therapy recommendations; whether to participate in post-treatment clinical trials or research; and even such fundamental issues as whom to tell about their cancer diagnosis or whether to consider oneself a ‘cancer survivor’ or member of some other category (e.g., not yet survivor---have not passed 5 year disease free; want to forget about cancer avoid labeling; prefer term ‘thriver’; etc.).

The Office of Cancer Survivorship is interested in supporting research that will enable us to better understand how cancer survivors who are post-treatment negotiate these multiple decision-making points, the impact of their decisions on health care outcomes, and the role that health care providers, systems, as well as family members may play in influencing these decisions. The OCS is also interested in promoting research that seeks to develop strategies or interventions to provide the information necessary for survivors to make informed decisions about their post-treatment health, and ultimately improve the quality of life and care received by all of those living long-term with cancer.

Decision-Making Research Interests of the Health Communication and Informatics Research Branch (HCIRB)
The Health Communication and Informatics Research Branch (HCIRB) recognizes the perspective espoused by Howard Leventhal at Rutgers University and Baruch Fischoff at Carnegie Mellon University that individuals lead active, goal-oriented lives. In pursuit of those goals, people make literally hundreds of health-related decisions daily. A great number of those decisions will be small and automatic (“What should I order for breakfast?”), while others will

be undeniably consequential and will require reasoned thinking ("What form of treatment shall I select based on my diagnosis of prostate cancer?"). It is the goal of research within the HCIRB to understand how the information environment can be modified through advances in health communication and informatics to support positive health outcomes from daily decision-making. Specifically, HCIRB seeks to support communication research across the cancer continuum to enable decisions leading to: (a) healthier and cancer-free lifestyles; (b) the optimal use of early detection procedures to eradicate cancer's presence before it spreads; (c) the effective use of treatment; and (d) vigilance in order to prevent recurrence and/or metastasis.
To achieve these ends, the HCIRB will continue its investments in traditional areas of health communication, such as message framing and diffusion, to understand how these basic communication processes are related to effects on decisional heuristics and outcomes. Much of this basic research is still needed in order to understand how to create more effective public service campaigns for health behaviors that are becoming increasingly more complex and nuanced all the time (e.g., decisions to seek age-appropriate screening tests). At the same time, the HCIRB understands that an infusion of applications in medical and consumer informatics is opening up a new era of communication research. Research must be conducted in the context of decision support technologies to improve the ways in which informatics applications support enhanced decision making both for clinicians and their patients. Research is also needed to understand how the artifacts of decision support technologies (e.g., printouts from the World Wide Web) influence the quality of patient-provider communications, especially in the context of collaborative decision making.

Decision-Making Research Interests of the Applied Cancer Screening Research Branch (ACSRB)
Cancer screening recommendations have shifted from solely promoting the use of screening tests to promoting informed decisions about whether or not to get screened. An increasing number of controversies over the risks and benefits of cancer screening tests, such as the PSA to detect prostate cancer and mammograms for women in their 40's, have combined with forces such as direct marketing of medical tests to consumers to compel this shift in perspective. As a result, cancer screening intervention research and practice now frequently considers an informed decision – rather than screening uptake – as the outcome of interest.

Very little is known about the processes of screening decisions or how best to measure informed decision making as an outcome. The lack of validated measures impedes the progress of such useful research. Therefore, development of measures for both research and surveillance would facilitate evaluation of intervention studies and contribute to understanding and monitoring the relationship between decision processes and trends in cancer screening. The ACSRB would like to support the development and dissemination of such measures in order to stimulate more coordinated research in this area.

Research on decision making about cancer screening can usefully take many forms. Although the nature of the process requires adapting interventions to individuals' values and preferences, this adaptation can be accomplished using a variety of approaches, such as printed materials, telephone or computer-based counseling, or person-to-person interaction. Each approach can be designed to influence a variety of outcomes, such as increasing relevant knowledge, patient and/or provider satisfaction with the process (or decision), or perhaps even screening rates or health outcomes. The ACSRB is interested in research to improve our understanding of the patient, provider and health system factors that influence decision making and the development of strategies that can effectively communicate information about screening.

Decision-Making Research Interests of the Health Promotion Research Branch (HPRB)
In response to the two program announcements related to decision making in cancer control, the Health Promotion Research Branch is particularly interested in promoting research that focuses on processes to maintain an active lifestyle, maintain healthy eating habits, lose weight, and reduce sun exposure. Of particular interest to the HPRB are: (1) studies that examine the moderators and mediators associated with decision-making processes involved in sustaining a behavior change; (2) studies that focus on understanding the mechanisms of sustaining long-term behavior change; (3) studies that test the validity of ecological momentary assessment measures related to decision-making processes; (4) studies that assess how ecological momentary assessment can impact decision-making processes; (5) studies that examine how biological factors (e.g., stress, physical fitness, anxiety, depression, age, gender) and environmental factors (e.g., access to exercise facilities or access to healthy food) may influence decision-making processes related to sustaining healthy behaviors; and (6) studies that compare the decision-making processes involved in initiating and sustaining frequent behaviors (such as healthy eating and physical activity) and less frequent behaviors (such as sun exposure).

Decision-Making Research Interests of the Tobacco Control Research Branch (TCRB)
The Tobacco Control Research Branch is interested in promoting the following types of decision-making research: (1) studies that examine decision-making factors related to why initial smoking leads to continued smoking (e.g., the interplay of sensory, social, and biological factors that lead to continued use); (2) studies that examine the decision to quit smoking, including when and how to quit (e.g., use of behavioral and/or pharmacological approaches to quitting); (3) studies that examine how individuals maintain smoking abstinence or relapse; (4) studies that examine decisions to switch types and brands of products; (5) and studies that examine how individuals initiate tobacco use and make initial product choices.

Conference

Dear Decision Researchers:
You are invited to the 43rd Annual Bayesian Research Conference, which will be held at California State University, Fullerton, Jan 13-14, 2005. This conference deals with all aspects of judgment and decision making research, including theoretical, basic, and applied research, and is not limited to applications and extensions of Bayes Theorem. It is usually a small, lively conference with good discussions. There will also be a 1-day, Advanced Training workshop to be held on Saturday, January 15, 2005, which will provide tutorials on JDM experimentation via the WWW.

For more information on the conference, see the Web invitation at URL:
http://psych.fullerton.edu/mbirnbaum/bayes/invitation.htm

You can register on-line for the conference from the following:

http://psych.fullerton.edu/mbirnbaum/bayes/registration.htm

Deadline for registration, submissions to the conference, and application to the Web workshop is Dec. 22, 2005. Please make your hotel reservations by Dec. 11, to ensure the "Bayesian Research Conference" rate of $84/night.
Chase Suite Hotel
2932 East Nutwood Ave
Fullerton, CA 92831
TOLL FREE 888-433-9406
Phone 714-579-7400

For information on the Web Research Workshop, see the following:
http://psych.fullerton.edu/mbirnbaum/bayes/Web_workshop.htm

I look forward to seeing you in sunny California in January.

Michael H. Birnbaum
Professor of Psychology
Dept. of Psychology H-830M
California State University, Fullerton
Fullerton, CA 92834-6846
phone: 714-278-2102
fax: 714-278-7134

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