



Newsletter

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The JDM Newsletter, published electronically four times a year (March, June, September, and December), welcomes short submissions and book reviews from individuals and groups. If you are interested in reviewing books and related materials, please write to or email the editor. The best way to send your contribution is via email, or as an MS Word email attachment.

Advertising Rates: Advertising can be submitted to the editor. Inclusion of the ad and the space given to the ad is at the editor's discretion. The current charge is \$200 per page (\$100 per 1/2 page). Contact Dan Goldstein for details.

Address Corrections: Please keep your mailing and/or email address current. Address changes or corrections should be sent Bud Fennema. Reports of problems in receiving or opening the pdf file should be sent to the editor.

Society membership: Requests for information concerning membership in the Society for Judgment and Decision Making should be sent to Bud Fennema.

President's Column

Open source, open access, Karl Marx, Maslow and SJDM

By Jonathan Baron

Traditional microeconomic theory applies to markets for widgets and other good things. Prices are set and taken or not taken. Supply equals demand. And so on. Much of our economic life fits pretty well with this theory. We buy groceries, dinners out, computers, cable TV, internet connections, electricity, and so on.

But a big chunk of our production and consumption does not fit this model. This chunk seems to be getting larger (or maybe I'm misremembering the past). It has two properties (not always both present). One is that "production" is supported indirectly, as a bi-product of something else. Television, and now Google, is supported by advertising. If all TV were pay TV, we might have more or less of it than we do now, and the offerings might be better or worse.

Academic research is another example. My own salary comes (I think) largely from undergraduate tuition. Thus, I am a "teacher," but (happily) I did not get hired or promoted for that purpose only. Academic life for many of us is largely about research, yet research is a bi-product of our fundamental activity in the market.

A second property is that "labor" is a volunteer effort. After tenure, we produce research largely as volunteers. (Yes, it affects salaries, but most of us academics could earn more by showing up for classes and starting a little business on the side.)

Some computer software has both of these properties. All the software I use is free, and almost all of it is "open source." The developers are either volunteers who work for no pay at all, or they work for companies that make the software available as a bi-product.

Now look at SJDM. The traditional market function shows up in the annual meeting, when we must collect money and deal with hotels and caterers. That is of course the main thing we do as a society. And the book series deals with publishers and copyrights. But if you look under the surface, you find volunteers again. All the SJDM committee members and officers are unpaid. (There is some money for staff help for the conference organizer.) At the last meeting, taking over as president a bit early because of the absence of John Payne, I was constantly amazed at the enormous amount of time and effort that volunteers put into every aspect of the Society.

Of course, our open-access journal (which I edit and produce) is also a volunteer effort, completely so far. But I have argued that this is largely the case with all academic journals. Reviewers, editors and authors generally do not get paid, and should not get paid, I think. If pay were to undermine the intrinsic motivation to volunteer, then the enterprise could grind to a halt, because the pay would never be enough.

Something interesting is going on here both economically and psychologically. At first it seems that the "new economy" of open source and open access is an example of Karl Marx coming back from the dead to take revenge on modern capitalism. More aptly, I think, it is not Marx but Abraham Maslow, who wrote of different levels of motivation, with higher levels taking over after lower levels were "satisfied." (Forget the fact that satisfaction is a matter of degree.)

To some extent, the modern field of judgment and decision making includes the study of motivation, so the nature of this motivation is a relevant topic. We have some relevant concepts from economics and psychology: intrinsic motivation, altruism, and so on.

But the field is largely cognitive. It is about how people think about things. We do study how people think about pleasures and pains, and about emotions, but I'm not sure that these lines of investigation will help much in understanding the phenomena at issue. There may (or may not) be some place for empirical inquiry here.

Conferences

The 29th Annual Meeting of the **Society for Medical Decision Making** will take place October 20-24, 2007 in the Sheraton Station Square Hotel in Pittsburgh, PA, USA. This year's meeting will focus on exploring the science of decisions and consumer-driven, individualized health care.

Visit www.smdm.org to learn more about these key dates:

February 1, 2007 Hotel Reservation Opens
March 2, 2007 Abstract Submission Site Opens
June 13, 2007 Meeting Registration Opens
October 20-24, 2007 SMDM Annual Meeting

Call for Short Courses: SMDM is now accepting proposals for Short Courses for the 2007 Annual Meeting. Submission form is available at www.smdm.org.

Call for Nominations for the 2007 SMDM Awards: SMDM Awards Program is designed to recognize distinguished service to SMDM and/or the medical decision making field. Visit www.smdm.org for detailed descriptions of awards, past recipients, and eligibility requirements. Deadline for award nominations: April 1, 2007

Call for Abstracts: Submit your original work for presentation at the 2007 Annual Meeting in Oral and Poster format. Electronic submission site and detailed instructions will be available starting March 2 at www.smdm.org.

Deadline for abstract submission: June 8, 2007

The **Neural Systems of Social Behavior Conference** will take place in Austin, TX, May 11-13th. The schedule is available and registration is now open.

Information on registration, hotel, and transportation can be found at <http://mindbrain.ucdavis.edu/content/Labs/Beer/Conference-Registration%20and%20Hotels>

Online registration is now open and will remain open until all spaces are filled. Registration and payment of fees can be carried out through the PayPal on the website. Space is limited.

Information on the schedule can be found at: <http://mindbrain.ucdavis.edu/content/Labs/Beer/Conference-Schedules>

The **2007 North American Conference of the Association for Consumer Research** will be held at the elegantly refurbished Peabody Hotel in Memphis, Tennessee, from Thursday October 25 through Sunday October 28, 2007.

As in past years, the conference will provide a forum for scholarly presentations, discussions, and collaborations on consumer behavior.

There will be six main forums for the presentation and discussion of research and scholarly thought. In addition to the five tracks to which submissions are sought, this year's conference will feature a new forum called "Epistemic Sessions."

1) Competitive Paper Sessions include papers that represent the completed work of their authors. The ACR conference co-chairs assign accepted papers to Conference sessions that reflect similar scholarly interests.

2) Symposia (previously titled "special sessions") provide opportunities for focused attention on cutting-edge and important areas of research. Successful sessions feature research that crosses theoretical, methodological or substantive boundaries but offer a coherent perspective in building bridges across emerging substantive, theoretical, or methodological issues.

3) Working Paper Track: Participants typically present preliminary findings from the early stages of a research program. Authors distribute their papers and display their findings poster-style in a plenary session.

4) Roundtables: Encourage intensive participant discussions of consumer research topics, as well as disseminations of professional and technical skills.

5) Film Festival: Presents edited video recordings on topics related to consumer behavior.

6) Epistemic Sessions: The goal of the epistemic sessions is to provide a forum for researchers within a given theoretical paradigm to raise, debate and resolve contentious theoretical and methodological issues pertinent to their paradigm. While the featured speakers will be invited by session chairs, your input on issues for discussion will be sought closer to the date of the conference via a web discussion board.

Submission and Decision Deadlines

Submissions for competitive papers, symposia, working papers and roundtables must be received no later than Friday March 23, 2007. Notification of acceptance in these four categories will be made by Friday July 27, 2007. The entry deadline for Film Festival submissions is Friday April 13, 2007. Notification of accepted films will be June 1, 2007.

A detailed document announcing additional conference highlights and a call for submission are now available on the conference website: <http://www.acrweb.org/acr> (Click on link Call for Submissions in the left panel). It will also soon be made available on the main ACR website: <http://www.acrwebsite.org/>

The bi-annual **SPUDM (Subjective Probability Utility and Decision Making) Conference** run by the European Association of Decision Making will take place in Warsaw, Poland between 19th and 23rd August 2007.

Researchers and students interested in any in any area of decision making or in a related field are invited to participate in the SPUDM 21.

The SPUDM Conferences have a long history and one of the earliest meetings – SPUDM 6 was held in Warsaw. After thirty years SPUDM is coming back to Poland.

The organizers of the upcoming meeting are dedicated to continuing the long tradition of SPUDM conferences status as the primary venue for exchanging novel ideas in psychological and economic decision-making and attracting the new generation of researchers to the field. To this end, we have succeeded in inviting a group of the most distinguished researchers from both Europe and the United States to be keynote speakers or to participate in the panel discussion. The opening lecture will be given by Professor Daniel Kahneman. The keynote speakers are: John W. Payne, Alex Kacelnik and Tadeusz Tyszka.

Submissions of paper abstracts, poster abstracts, and proposals for workshops are invited on any topic in basic and applied judgment and decision making research.

For more information <http://www.spudm21.org>

The Association for Consumer Research, in conjunction with the Tuck School of Business at Dartmouth College and the Marketing Science Institute, are sponsoring a conference next July 6 – 8 (2007) entitled **Transformative Consumer Research: Inspiring Scholarship for Collective and Personal Well-Being**.

Its goals are (1) to motivate increased consumer research that begins with, and directly addresses, an important challenge, problem, or opportunity in consumer behavior that has an essential role in the well-being of people and other living beings and (2) to guide consumer researchers in designing, conducting, and communicating their scholarship to maximize the likelihood that consumers, their representatives, and/or other individuals charged with overseeing human and ecological welfare can learn about and act upon the insights. There is no registration fee, all food and refreshments are provided, and up to 60 attendees (those presenting papers) will receive free accommodations on the Dartmouth campus. For more details, please visit the following website:

<http://mba.tuck.dartmouth.edu/pages/faculty/punam.keller/conference/>

NDM8 - the **8th International Conference on Naturalistic Decision Making** - will be held at Asilomar Conference Grounds, Pacific Grove, CA. from June 3-6, 2007. The conference venue is a historic state park right on the Pacific Ocean near Monterey, CA. This conference is the premier forum for presenting work on decision making in dynamic contexts, and will bring together researchers and practitioners from diverse domains who study decision making, expertise, problem solving, situation awareness, and cognitive engineering. The intimate size, the single track, and historic surroundings will make this conference an ideal opportunity to exchange research results and practitioner experience. For more information contact Kathleen Mosier, San Francisco State University, (kmosier at sfsu.edu) or go to <http://bss.sfsu.edu/kmosier/ndm8.htm>

Educational Programs

University College London and Birkbeck are launching a new MSc in Cognitive and Decision Sciences (to start in Sept 2007).

This program studies the cognitive processes underlying human thought and decision making. Key topics include: probabilistic models of the mind; the nature of computational explanation; the general principles of cognition; the scope of rational choice models; learning and memory; applications to economics and business.

It draws on an outstanding faculty at UCL and Birkbeck, including internationally renowned researchers in psychology, computational modelling, neuroscience and economics. It also takes full

advantage of London's unique position as a global "hot-spot" for research in cognition, decision-making, and neuroscience, with a high density of research seminars and scientific meetings.

The course is suitable for students from a wide range of disciplines, including psychology, economics, neuroscience, philosophy, computer science and statistics.

Further information is available at: <http://www.psychol.ucl.ac.uk/courses/msc/MScCoDeS.html>

For informal enquiries contact David Lagnado (d.lagnado at ucl.ac.uk), Nick Chater (n.chater at ucl.ac.uk) or Marius Usher (m.usher at psychology.bbk.ac.uk)

Please forward this to any students who might be interested in applying.

See also: <http://www.ucl.ac.uk/news/news-articles/0612/06122102>

Dartmouth's Summer Institute On Informed Patient Choice runs from June 25th to July 6th, 2007. More information here: <http://www.dartmouth.edu/~cecs/siipc/>

Decision researchers present will include:

Roy Baumeister, Gerd Gigerenzer, Mary Frances Luce, Craig McKenzie, Valerie Reyna, Kathleen Vohs, Timothy D. Wilson, J. Frank Yates

Alan Reifman has put together a compendium of short-term statistics and methodology workshops this summer at <http://reifmanintrostats.blogspot.com>

Jobs

Columbia University's Center for the Decision Sciences anticipates hiring a postdoctoral research scientist for a period of up to three years, with a starting date of August 2007.

The main responsibility will be to carry out research related to cognition and memory with an emphasis on decision making and the construction of preferences across the lifespan, under the supervision of Professors Eric Johnson, Elke Weber, and Yaakov Stern. This position is open to candidates with behavioral research experience, data analysis and modeling skills, and training in cognitive psychology or a related discipline, who have recently earned their PhD or who are expecting their doctorate in 2007, on a topic relevant to the psychology of decision making broadly defined. Training in neuropsychology as well as neuroscience and fMRI research would be particularly valuable skills. Additionally experience with health- and cognitive function screening of older adults and experience with on-line research would also be a plus.

The Center for the Decision Sciences at Columbia University is directed by Professors Eric Johnson, David Krantz, and Elke Weber and includes researchers from psychology, marketing, management, medicine, law and beyond. Please visit our website for more information: <http://decisionciences.columbia.edu>

To apply, please send a CV, two letters of recommendation, reprints of published papers, and a cover letter describing your research interests. In your cover letter, please describe your research expertises, data analysis and modeling skills, neuropsychological and neuroscience skills, and computer skills (including any experience with online research).

Review of applications will start April 15 and continue until the position is filled.

Electronic applications (all parts as attachments to a single email) should be submitted to:

Ryan O. Murphy, Ph.D. Research Scientist and Associate Director Center for the Decision Sciences
rom2102 at columbia dot edu

Columbia University is an Affirmative Action, Equal Opportunity Employer.

The **Graduate School of Business at Stanford University** anticipates appointing a Postdoctoral Fellow in Social and Organizational Behavior for a period of one to two years, with a starting date of September 2007.

The Postdoctoral Fellow will serve as Co-director of the Behavioral Laboratory along with another Postdoctoral Fellow and will coordinate several ongoing research projects. The position will not require any teaching. Salary will be competitive. Hiring is contingent upon budgetary approval.

Stanford has a growing community of researchers who explore basic and applied problems at the social psychological level of analysis. There is a colloquium series as well as several doctoral level seminars in which a Postdoctoral Fellow could participate. We will select an applicant who plans to work collaboratively on research with one or more of the psychologically oriented faculty members in the organizational behavior program (Francis Flynn, Deborah Gruenfeld, Chip Heath, Roderick Kramer, Brian Lowery, Joanne Martin, Dale Miller, Margaret Neale, Jeffrey Pfeffer, Charles O'Reilly, Elizabeth Mullen, and Larissa Tiedens) and/or in the marketing program (Jennifer Aaker, Baba Shiv, Itamar Simonson, and Christian Wheeler). The Stanford GSB Web page (<https://gsbapps.stanford.edu/facultybios/>) provides some detail about research interests.

This position is open to candidates who have recently earned their PhD degree, or who are expecting their PhD in 2007, in any area of psychology, organizational behavior, or marketing. Familiarity with methods of experimentation at the social psychological level of analysis is important. In particular, experience in conducting computer, web-based, and interpersonal interaction-based experiments is a plus.

Applicants should submit a curriculum vitae, two letters of recommendation, and a cover letter describing their research interests and accomplishments to Brian Lowery, 518 Memorial Way, Stanford University, Stanford, CA 94305. In addition, they should indicate one or two faculty members with whom they would be most interested in working. Applications are welcome immediately, and they should be received by February 28, 2007 to receive full consideration. Additionally, curriculum vitae should be submitted online to the SU Jobs website. To submit online, please visit our website:

http://jobs.stanford.edu/find_a_job.html

and use the following requisition number: 23536; click on "apply" at bottom of page, highlight the requisition number, and copy and paste (or upload) your resume and submit.

Questions concerning the position can be addressed by electronic mail to Brian Lowery at Lowery_Brian at gsb dot stanford dot edu

Stanford University is an Equal Opportunity Employer.

The **Richard Ivey School of Business** is Canada's premier business school and is recognized worldwide for the quality of its management education and research. The School's major activities include: a highly regarded MBA program and undergraduate program; a well established doctoral

program active in most major areas of management; as well as, an expanding portfolio of programs for executives, including an expanding Executive MBA delivered in Canada and Hong Kong. The School is internationally oriented in terms of curricula, research, faculty, and student exchanges.

The School is located in London, Ontario, a community of 340,000 equidistant from Toronto and Detroit. The Canadian Executive MBA facilities are located at the Exchange Tower in downtown Toronto. A campus is also located in Asia at the Hong Kong Convention and Exhibition Center that is designed to meet the exacting standards of the School's Executive MBA Program. The School is part of a larger University community with approximately 26,000 full-time students.

The School seeks candidates for a tenured Associate or Full Professor in the Marketing group. The position is available as of July 2007. The successful candidate will demonstrate an international research record in consumer behavior, with publications in the top consumer research outlets, i.e. *Journal of Consumer Research*, *Journal of Marketing Research*, *Journal of Consumer Psychology*; inclusive of psychology journals like the *Journal of Personality and Social Psychology* and the *Journal of Experimental Psychology: Applied*. A successful candidate will also possess demonstrated ability to teach executive audiences, in either degree programs, or custom programs, and overall teaching excellence, with a demonstrated ability to successfully mentor and supervise doctoral students, co-author work, and place doctoral students in good jobs. Applications for a Probationary (tenure-track) or Limited Term will also be considered.

The successful candidate will have a Ph.D. in Marketing or a related field (e.g., Psychology). Demonstrated interest and abilities to take a strong leadership role in the Marketing group is desirable.

This position is subject to budget approval. Applicants should have fluent written and oral communication skills in English. All qualified candidates are encouraged to apply; however, Canadian citizens and permanent residents will be given priority. The Richard Ivey School of Business and The University of Western Ontario are committed to employment equity and welcomes applications from all qualified women and men, including visible minorities, aboriginal people and persons with disabilities.

Submission deadline is March 23, 2007, although applications will be accepted until the position has been filled.

For information on how to apply, please visit our website at www.ivey.uwo.ca/faculty/Career_Opps.htm

Prizes

Wharton School Decision Processes Undergraduate Paper Award

We invite undergraduates who have completed term papers or theses related to decision processes and/or choice to submit their paper for consideration for the Wharton School Decision Processes Paper Award. Applications from all decision processes related disciplines (including behavioral decision research, behavioral and social psychology, behavioral economics, and decision making) are welcome, as are applications from undergraduate students from all universities (both those within the United States and those abroad).

Faculty with interests in decision processes and decision making at the Wharton School span several departments including Operations and Information Management (OPIM), Marketing, Management, Insurance and Risk Management, and Business and Public Policy. A subset of these faculty will evaluate all applications and select a winner. The winner will be awarded \$1,000 and will be invited to present his or her research at a seminar at the Wharton School for faculty and students interested in the

area. Funding for this award is provided by the Wharton Risk Management and Decision Processes Center.

The submission deadline is April 10th, 2007. To apply, please include the following: (1) a one-page summary of the paper or thesis, (2) the paper or thesis itself, (3) a letter of recommendation from your advisor and (4) a cover letter with your contact information to:

Cynthia Anderson
 Decision Processes Paper Prize
 500 JMHH
 Operations and Information Management
 Wharton School
 University of Pennsylvania
 Philadelphia, PA 19104

2007 Oswald-Kuelpe-Award for the Experimental Study of Higher Mental Processes

Honoring the great tradition of the Wuerzburg School of Psychology and its founder Oswald Kuelpe, the University of Wuerzburg invites nominations for its Oswald-Kuelpe-Award, which is conferred biennially in a special ceremony.

The purpose of the award is to recognize exceptional scientific contributions to the experimental study of higher mental processes. The previous winner was Prof. Asher Koriat of the University of Haifa, Israel.

For the second time, the Oswald-Kuelpe-Award will be presented in Wuerzburg on November 2, 2007 by the president of the university and the chair of the psychology department. It includes a cash prize of € 4.000,- and the winner's expenses for travelling and accommodation.

Eligible are scientists of all nationalities and without any age restrictions. The only criterion is the candidates' proven excellence in experimental research on higher mental processes. This may pertain to different areas of psychology.

Applications and nominations must be received by 1 June, 2007. They should include

- a letter addressing the candidate's merits with respect to the criterion of the award;
- a current curriculum vitae and bibliography;
- the names of two distinguished colleagues who are willing to write letters of recommendation.

Materials should be sent to the chair of the psychology department:

Prof. Fritz Strack, LS Psychologie II, Roentgenring 10, 97070 Wuerzburg, Germany. For further information write to: strack at psychologie.uni-wuerzburg.de

Contributed Essay

Theoretical and Practical Value of Heuristics and Biases

By Winston R. Sieck, Klein Associates

The Heuristics and Biases program of judgment and decision making research was not created in a vacuum. During the late 1970's, when the core ideas were first articulated by Kahneman and Tversky, conceptions of human decision making were dominated by the theory of rational choice. This elegant mathematical framework was most closely associated with microeconomics, where it drove research and applications development to the point of being virtually taken for granted as essential truth.

According to rational choice theory, people are rational actors whose choices are made by assessing the probabilities and utilities of each possible outcome, and then combining these assessments to arrive at an expected utility for each option. The chosen option is the maximum of the expected utilities. From within the framework, this decision making process is rational in the sense that it leads to maximization of personal utility over the long run. Furthermore, proponents of the theory do not suppose that people do not make mistakes, or that there is no error in the process. However, the theory does contend that the errors are random. Systematic deviations from the process would indicate a flaw in the theory.

The Heuristics and Biases program was launched as a reaction to the entrenched doctrine of rational choice, and its aim was no less than to unseat the prevailing theory. As indicated by its catchphrase, Heuristics and Biases pushed forward a positive and a negative message (e.g. Gilovich & Griffin, 2002). The negative message was that the rational choice model does not, in fact, describe human judgment and decision making. The positive alternative was that human judgment is instead driven by a variety of “heuristics” that are fundamentally different in kind from the processes of rational choice. The point of specifying heuristics was to provide a glimpse into the actual cognitive processes that drive decision making. It is important to note up front that both of these messages, or agendas, pertain to accurate descriptions of the cognition that drives judgment. Neither agenda directly addresses prescriptive questions about how people should go about making judgments and decisions.

In order to promote these dual agendas, K&T did not have to provide and defend a precise theoretical framework that rivaled the theory of rational choice. Instead, what they needed was to provide clear examples of systematic departures in human judgment from the rational choice theory, along with interesting glimpses into the cognitive processes that are likely to be operating instead. Their experimental strategy has been described as a direct analogue to work on perceptual illusions, such as the Müller-Lyer illusion. In this illusion, two lines are presented, one with arrow heads pointing in, and the other with arrow heads that point out (see Figure 1). When asked to compare the lengths of these lines, people have a strong subjective sense that the top (heads-in) line is longer, even though both are objectively equivalent in length.

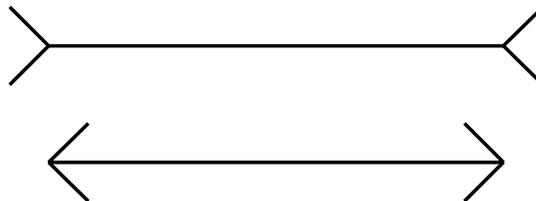


Figure 1. Müller-Lyer optical illusion

The Müller-Lyer illusion shows that human visual processes do not simply judge length veridically, and it provides insights into the cues used by the visual system to judge length and distance in 3D (i.e. the heads-out arrows provide a cue of greater proximity than the head-in arrows). Kahneman and Tversky’s devised a strategy to develop analogous sorts of tasks with a focus on the cognitive processes underlying subjective likelihood, in particular. That is, they wanted to develop compelling demonstrations that subjective experiences of chance could differ dramatically from the formal axioms of probability. They set forth to carefully specify tasks where the formal axioms imply one answer, and yet the qualitatively distinct processes of intuitive judgment lead people to see the chances quite differently.

The strategy of crafting specialized tasks in this way leads to “existence proofs” that key assumptions underlying the theory of rational choice are not guiding human judgment and decision making. These are merely small empirical proofs that circumstances do exist under which the outputs of human cognitive functions do not match the outputs of rational choice theory. Such existence proofs are sufficient to rule out rational choice theory as a descriptively accurate model of human cognition. For this purely theoretical purpose, it does not matter whether the circumstances under which these models fail are at all prevalent in natural situations.

Heuristics address the natural question that such tasks provoke: “If people do not perceive likelihoods according to the formal laws of probability, then how do they perceive chance?” The word “heuristic” is a loaded term that has taken several different meanings throughout the history of psychology, and has held multiple connotations during the heyday of the Heuristics and Biases program. However, Kahneman and Tversky has clarified that they view heuristics as natural assessments that are routinely, and often automatically, carried out as a part of the perception of events and comprehension of messages (Tversky & Kahneman, 2002). In this way, they are seen as “piggybacking” on to the primary functions of more fundamental cognitive processes, such as similarity mapping or memory retrieval. Although several heuristics have been described, no coherent framework that ties them to the primary cognitive processes or to each other has been specified. Hence, the positive contribution has been to provide snap-shots into what are extremely complex, sophisticated, and computationally intensive cognitive processes. Unfortunately, the “snap-shot” view has sometimes led to the misinterpretation that the heuristics represent mental shortcuts or simplified strategies that yield quick-and-dirty solutions. Although the processes can be distinguished from those of the rational model, it does not follow that they are in any way dysfunctional. On the contrary, they are functional in numerous ways that the rational model does not even address.

Although the primary aim of the H&B program was theoretical, there is a natural desire to determine the practical implications of the program. Clearly, there are two ways of proceeding to applications following each of the two different agendas of the program. Perhaps the more obvious, and certainly the more often tried approach is to attempt to eliminate the disconnects between rational choice theory and human decision making. This has generally been called the “debiasing” approach, following use of the term “bias” to denote those disconnects. The word “bias” is another extremely loaded term with connotations that extend well beyond its technical definition. Hence, we instead adopt the neutral term “disconnects” to indicate points at which the outputs of rational choice theory and human decisions do not match. A considerable amount of research has been conducted on debiasing, and the results overall have fairly consistently shown the ineffectiveness of the approach. However, there are more fundamental problems with this approach, a priori. First, the rational choice model is not necessarily the right standard from which to evaluate quality decision making. The original motivation for the theory was that it seemed eminently rational based on first principles, and it accounted for intuitions about and general patterns of human decision making. However, the H&B program challenged the extent of the latter motivating consideration directly, and has indirectly prompted rethinking of the former consideration because of the close association between the two. At this point, there is little consensus on what a good model of rational decision making ought to look like.

A second problem is that, even if we were to accept certain disconnects as clearly problematic outcomes of human judgment and decision making (and we probably should), then we are still left with no sense of the degree of the problem. This is because the experiments that reveal disconnects were carefully crafted to demonstrate failures in theoretical assumptions of the rational choice model. The evidence and standards of evidence required to assess and address practical concerns is quite different. For instance, in order to determine importance of a disconnect, we need to determine the prevalence and severity of the disconnect with experienced professionals in their natural environments who are performing tasks that they actually perform on the job. It is important to recognize that, because of the way it was conducted, the academic literature on H&B does not contain the data needed to make these assessments.

Finally, we need to focus more on the process as a whole, and determine whether the overall costs of the process outweigh the benefits of that process in natural work environments. Recommending procedures that attempt to change the natural cognitive process without taking into account the functional contributions of the cognition can lead to more dysfunction than a completely unsupported system.

Alternatively, we can seek to support the cognitive functions that actually drive decision making, rather than focusing on eliminating disconnects between human decisions and rational choice theory. To go back to the parallel with perceptual illusions, although the work is fascinating and informative in its own right, applied researchers would not generally think to improve vision by reducing perceptual illusions, like Müller-Lyer. Instead, they attempt to develop tools, like telescopes and microscopes that extend the capabilities of the natural vision process. In the same way, by understanding the cognition that drives the work of professionals on the job, we can develop tools and procedures that extend and improve that cognition. The cognitive processes that are implicated in the snap-shots provided by K&T's heuristics undoubtedly count among the cognition that needs to be supported. However, those cognitive processes need to be more fully specified at a level of description that is useful for understanding the functions of the cognition in the context of the work that needs to be accomplished by skilled decision makers. That level of description is macrocognition.

Online Resources

SJDM Web site

<http://www.sjdm.org>

Judgment and Decision Making – The SJDM journal, entirely free and online

<http://journal.sjdm.org>

SJDM Newsletter – Current and archive copies of this newsletter

<http://www.sjdm.org/newsletters>

SJDM mailing list – List archives and information on joining the email list

<http://www.sjdm.org/mail-archive/jdm-society/>

Decision Science News – Most of the content of this newsletter is released early in blog form here

<http://www.decisionsciencenews.com>

Note from the Editor

I will be pre-releasing much of the content of the SJDM newsletter in Web log (blog) form at <http://www.decisionsciencenews.com>. The reasons for this are several. Blogs facilitate: weekly instead of quarterly releases, instant revisions of time-sensitive content (e.g., conference deadline changes), and easy subscription via newsreaders. The newsletter will continue to be published March, June, September, and December on the SJDM site in PDF form, as always.

Endnote



It says in Hebrew, “Supermarket Israel: Polite and self-service”
Contributed by Maya Bar-Hillel

Dues and Address Corrections

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Journal Note: SJDM members are entitled to discounts on the following journals: Organizational Behavior and Human Decision Processes, Journal of Behavioral Decision Making, and Risk, Decision and Policy. Contact the publishers for details. Links to the journals may be found on the SJDM website (www.sjdm.org) under related links.