Are you as good at things as you think you are?

How good are you at managing money?

What about reading people's emotions?

How healthy are you compared to other people you know?

Are you better than average at grammar?

Knowing how competent we are

and how are skill stack up against other people's

is more than a self-esteem boost.

It helps us figure out when we can forge ahead on our own decisions and instincts

and when we need, instead, to seek out advice.

But psychological research suggests that we're not very good

at evaluating ourselves accurately.

In fact, we frequently overestimate our own abilities.

Researchers have a name for this phenomena,

the Dunning-Kruger effect.

This effect explains why more than 100 studies

have shown that people display illusory superiority.

We judge ourselves as better than others

to a degree that violates the laws of math.

When software engineers at two companies were asked to rate their performance,

32% of the engineers at one company and 42% at the other

put themselves in the top 5%.

In another study, 88% of American drivers

described themselves as having above average driving skills.

These aren't isolated findings.

On average, people tend to rate themselves better than most

in disciplines ranging from health, leadership skills, ethics, and beyond.

What's particularly interesting is that those with the least ability

are often the most likely to overrate their skills to the greatest extent.

People measurably poor at logical reasoning,

grammar,

financial knowledge,

math,

emotional intelligence,

running medical lab tests,

and chess

all tend to rate their expertise almost as favorably as actual experts do.

So who's most vulnerable to this delusion?

Sadly, all of us because we all have pockets of incompetence

we don't recognize.

But why?

When psychologists Dunning and Kruger first described the effect in 1999,

they argued that people lacking knowledge and skill in particular areas

suffer a double curse.

First, they make mistakes and reach poor decisions.

But second, those same knowledge gaps also prevent them from catching their errors.

In other words, poor performers lack the very expertise needed

to recognize how badly they're doing.

For example, when the researchers studied

participants in a college debate tournament,

the bottom 25% of teams in preliminary rounds

lost nearly four out of every five matches.

But they thought they were winning almost 60%.

WIthout a strong grasp of the rules of debate,

the students simply couldn't recognize when or how often

their arguments broke down.

The Dunning-Kruger effect isn't a question of ego blinding us to our weaknesses.

People usually do admit their deficits once they can spot them.

In one study, students who had initially done badly on a logic quiz

and then took a mini course on logic

were quite willing to label their original performances as awful.

That may be why people with a moderate amount of experience or expertise

often have less confidence in their abilities.

They know enough to know that there's a lot they don't know.

Meanwhile, experts tend to be aware of just how knowledgeable they are.

But they often make a different mistake:

they assume that everyone else is knowledgeable, too.

The result is that people, whether they're inept or highly skilled,

are often caught in a bubble of inaccurate self-perception.

When they're unskilled, they can't see their own faults.

When they're exceptionally competent,

they don't perceive how unusual their abilities are.

So if the Dunning-Kruger effect is invisible to those experiencing it,

what can you do to find out how good you actually are at various things?

First, ask for feedback from other people,

and consider it, even if it's hard to hear.

Second, and more important, keep learning.

The more knowledgeable we become,

the less likely we are to have invisible holes in our competence.

Perhaps it all boils down to that old proverb:

When arguing with a fool,

first make sure the other person isn't doing the same thing.