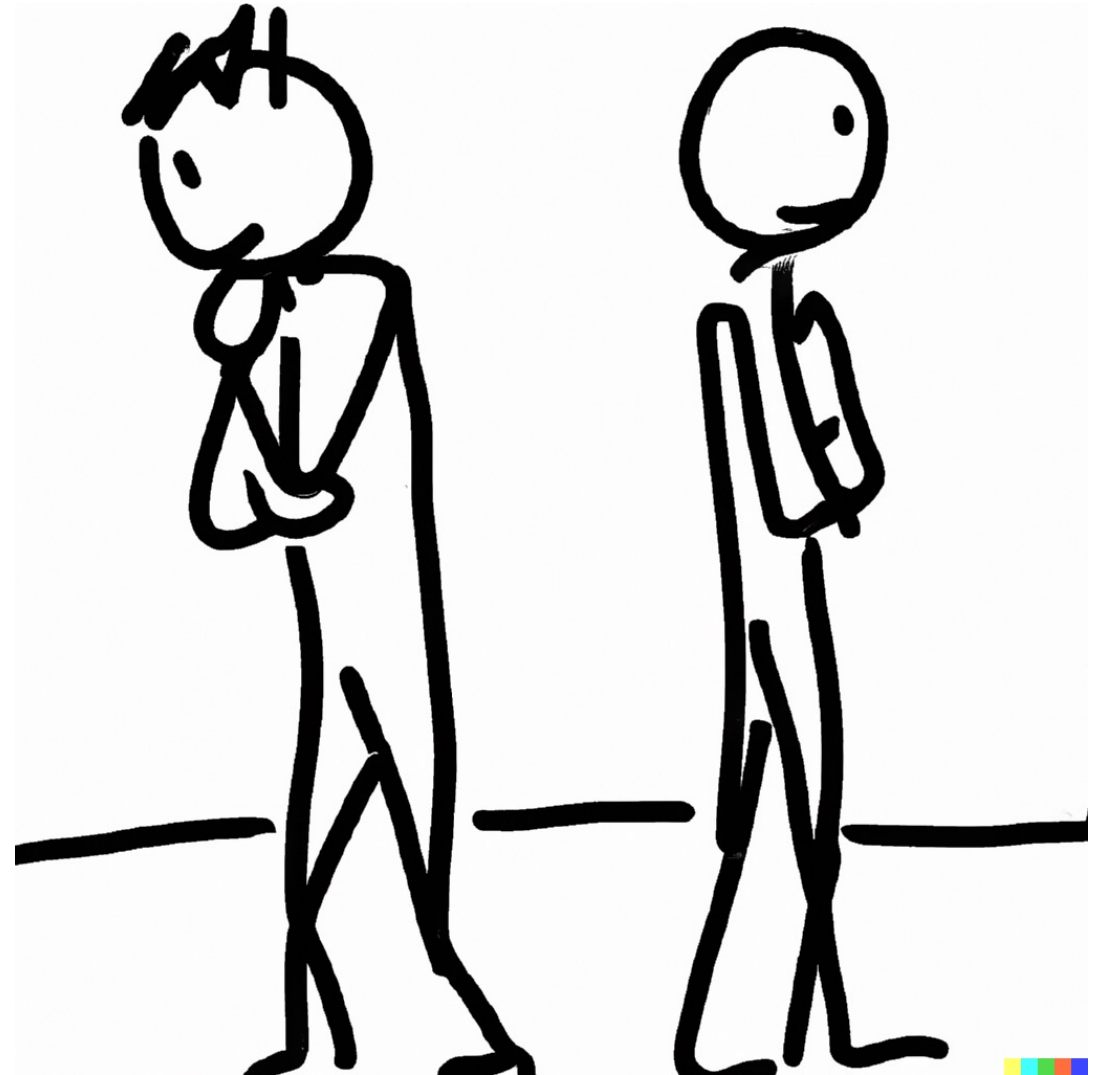


Overconfidence

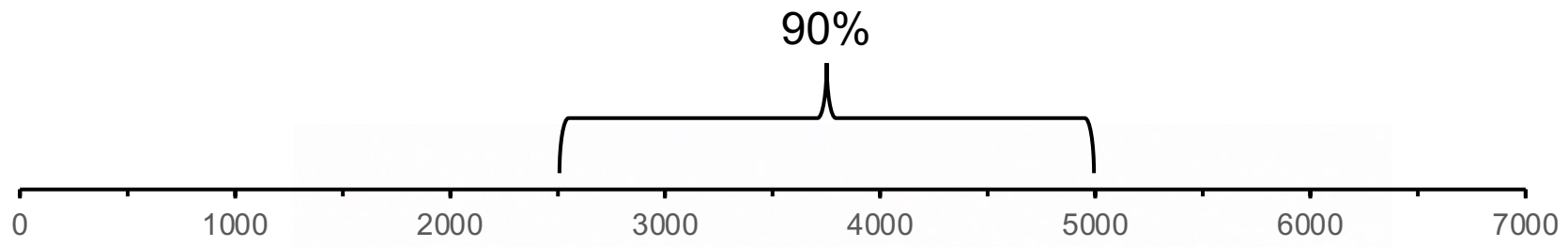
Notes on Behavioural Economics

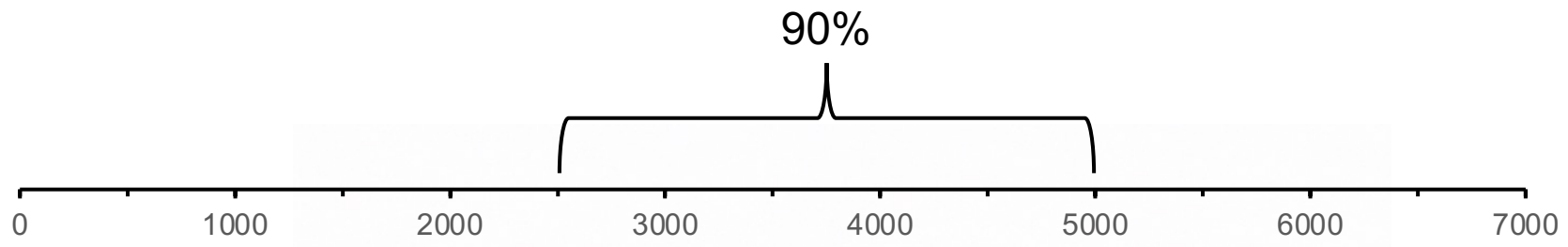
Jason Collins

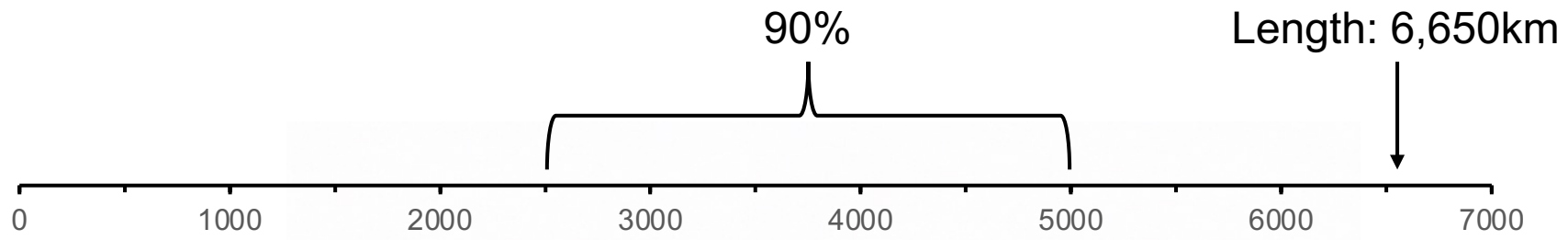


“Perhaps the most robust finding in the psychology of judgment and choice is that people are overconfident.”



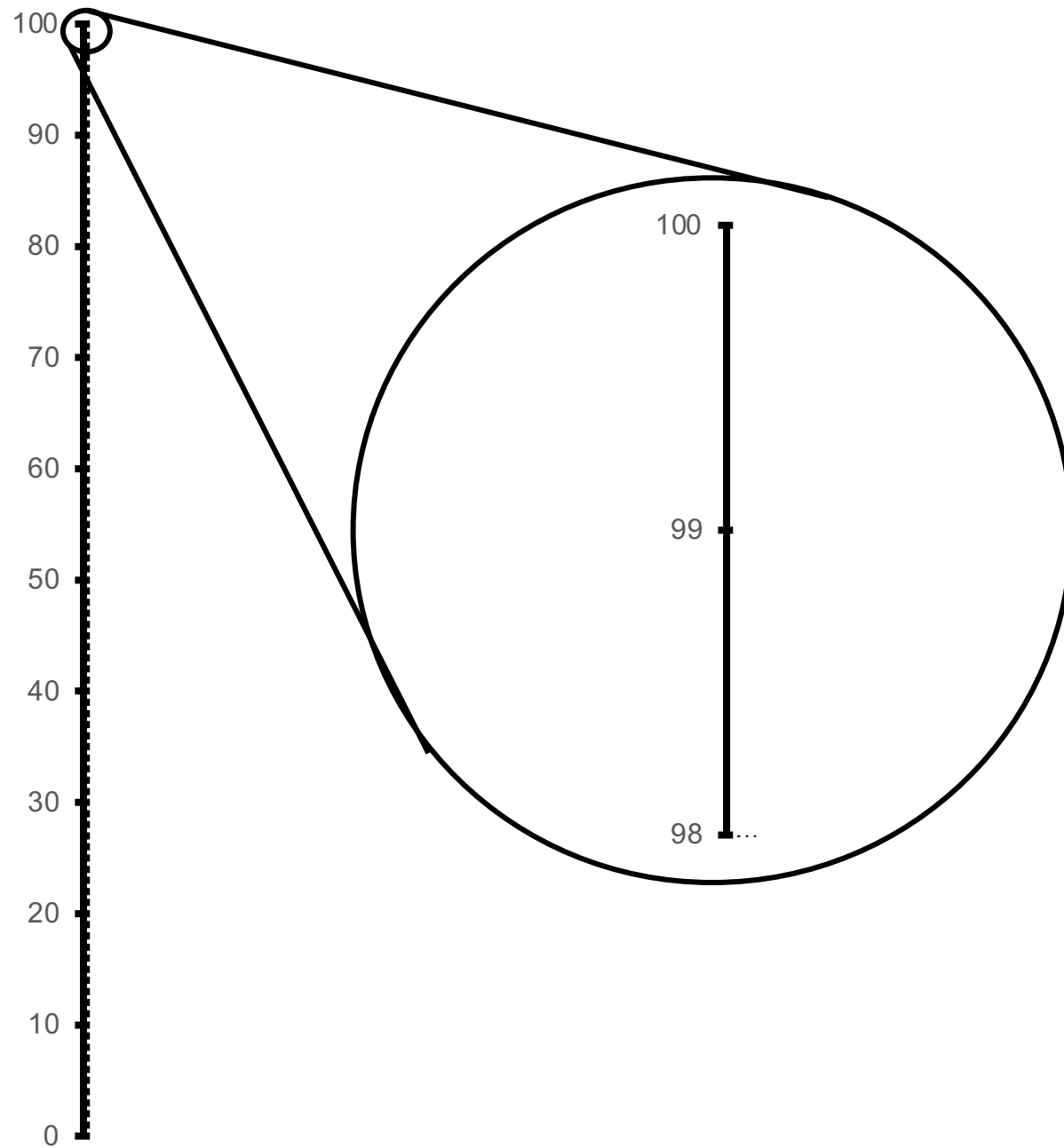








93%



25%

Overprecision

The tendency to believe that our predictions or estimates are more accurate than they actually are

Overestimation

The belief that we can perform at a level beyond that which we realistically can.

Overplacement

The erroneous relative judgement
that we are better than others

Easy tasks

Overplace

Underestimate

Hard tasks

Underplace

Overestimate



