

The perils of overconfidence

June 30 2008

Overestimating one's abilities can have hazardous consequences. The overconfident investment banker may lose millions on a "can't-miss" start up or a driver who's had one too many may insist on making it home in the car. Research has backed up this notion but with one glaring problem: It relies on participants to give accurate reports of their own confidence.

But Pascal Mamassian, a researcher at CNRS and Université Paris Descartes, France, believes he has found a way to circumvent this problem. In a paper published in the June issue of *Psychological Science*, a journal of the Association for Psychological Science, Mamassian demonstrates that overconfidence can be revealed using a natural and objective visuo-motor task.

Participants in Mamassian's study sat at a computer and were asked to press a key in synchrony with a visual "blob" that would appear on the screen. Participants would be awarded points if they succeeded and docked points if they pressed the key prematurely or too late.

Mamassian then used a mathematical model to examine how participants would need to adjust their key tapping strategy in order to maximize their gain and minimize their loss.

Mamassian found that participants routinely failed to aim toward the optimal time, instead displaying overconfidence in their action. Specifically, "They underestimated the magnitude of their uncertainty and the cost of their error," he writes.

Because of the objective nature of the task, Mamassian suggests "Overconfidence is not limited to the realm of subjective beliefs and cognitive judgments but appears instead to reflect a general characteristic of human decision making."

Source: Association for Psychological Science

Citation: The perils of overconfidence (2008, June 30) retrieved 6 May 2024 from <https://medicalxpress.com/news/2008-06-perils-overconfidence.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--