

JUDGMENT / DECISION MAKING

newsletter

July 1983

Vol. III, No. 1

This issue of the J/DM Newsletter marks the beginning of our third year of publication. This issue of the is being sent to about 350 people, most of whom have paid for their subscriptions. The success of the J/DM Newsletter depends upon the goodwill and support of our readers. The support needed is paid subscriptions. Only if enough people pay the subscription cost and renew each year can we continue to publish at our relatively low rate. Also, we are subsidizing a number of foreign readers who are unable to pay for a subscription either because of scarce resources or because their government's policy prevents them from subscribing. Some of our readers have made donations for such people. If you would like to make a donation (tax deductible) send \$5.00 (the approximate cost of a foreign subscription) for each anonymous person you would like to support. (Unless you object, we will publish your name along with other donors in a subsequent issue of the J/DM Newsletter.)

Call for submissions: In the first few issues of the J/DM Newsletter, we received many volunteer submissions. While some seasonal fluctuation in contributions is expected, we encourage you to send news, notices, reprint lists, book announcements, and meeting announcements to the editor for inclusion in the J/DM Newsletter.

AS IF THE J/DM CONFERENCE WERE NOT ENOUGH...

The J/DM Conference will be held this fall on Saturday and Sunday, November 19-20, 1983 at the Sheraton Hotel on Harbor Island in San Diego, the land of prolonged summer and home of Sea World and the world-renowned San Diego Zoo. Our meeting will run from 1:00 to 6:00 P.M. (or so) on Saturday and from 9:00 A.M. to 3:00 P.M. (or so) on Sunday with a break for lunch. In addition, we expect that the Psychonomic Society will schedule a session of judgment and decision making for Saturday morning.

The registration fee for the J/DM conference will be \$22 for those who preregister by mail by November 1, \$25 for those who register later, and \$15 for graduate students. This fee covers expenses for the receptions, breaks, meeting rooms, and the various other costs of putting on the conference. The Sheraton Harbor Island (which is located about one-half mile from the San Diego International Airport) has agreed to give us the same rates the the Pychonomic Society. These are \$76 for a double room, \$62 for a single room, and \$180 for a suite.

The next issue of the J/DM Newsletter will contain a conference preregistration form (to be sent to Lola Lopes) and a hotel reservation form (to be sent directly to the hotel). Since planning for the conference is greatly facilitated if we have a good idea how many people are coming, we hope that everyone who can will preregister. See you in November!

...Lola Lopes

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FROM THE EDITOR. . .

The J/DM Newsletter welcomes submissions from individuals and groups. However, we do not publish substantive papers. Book reviews will be published. If you are interested in reviewing books and related materials, please write to the editor.

There are few ground rules for submissions. In order to make the cost of the J/DM Newsletter as low as possible, please submit camera-ready copy. This means that the copy should be typed single-spaced on white 8 1/2 by 11 paper. Please leave good margins--1 inch at the sides and bottom and 2 inches at the top. If possible, use a carbon or film ribbon. Please mail flat--do not fold.

Subscriptions: The current rate for the J/DM Newsletter is \$2.00/year. This should cover the cost of about 4 issues. We are dedicated to keeping the cost at a minimum, but must emphasize that recent increases in postage rates will cause problems unless as many readers as possible pay. Please send your subscription to the editor. If you do not know whether or not your subscription has been paid or is current, check your mailing label. If it has an X or a 0, you have not paid; if it has an R, it is time to renew.

Checks should be made payable to the Indiana University Foundation.

Foreign Subscriptions: The cost of foreign subscriptions is necessarily higher than domestic subscriptions. Copies will be sent airmail to foreign addresses for \$5.00 (U. S.) per year if drawn on a U. S. bank. (If payable in U. S. dollars, but not drawn on a U. S. bank, the cost is \$25.00 per year. Note that many foreign banks have accounts with a U. S. bank and draw checks on that account.)

Address Correction: Please check your mailing label carefully. Because the J/DM Newsletter is sent by bulk mail, copies with incorrect addresses or otherwise undeliverable are neither forwarded nor returned. Therefore we have no way of knowing if copies are delivered. Any changes or corrections in addresses should be reported to Gary McClelland. (Address changes may also be sent to the editor with subscription payments.)

Mailing Labels: Some readers may wish to send reprint lists or other material to people listed in the directory. Gary McClelland has agreed to provide sets of mailing labels for \$5.00 to individuals employed by non-profit institutions.

ANNOUNCING A LOGO CONTEST...

Several J/DMers have suggested that we have a logo and/or masthead for the J/DM Newsletter and/or the J/DM Society. Therefore, we are announcing a contest to choose a logo. There are few rules. Anyone may enter, and more than one entry may be submitted. The design may be of any size (up to 8 1/2 by 11). The criteria for judging will be the appropriateness of the design, the extent that the design is based upon sound principles of design derived from applied cognitive psychology. Entrants should realize that the final design will be reduced to a small size (2 inches or less in height) and will be printed in one color. All entries will be judged by a special committee and the results will be announced at the J/DM Conference. We reserve the right to select no winner from the entries and to alter and/or modify designs to produce a final design. Send entries to John Castellan before November 1.

THE THIRD ANNUAL JUDGMENT AND DECISION MAKING CONFERENCE . . .

By James Shanteau

The third JDM meeting was held in the Hyatt Regency Hotel in Minneapolis, November 13 and 14, 1982. The meeting began at 1:00 p.m. following the completion of the Psychonomic Society meeting. The Keynote Address was given by Kenneth Hammond (University of Colorado) on "To Whom Does the Future Belong: Is You Is or Is You Ain't My Baby?" Ken began this fascinating talk with an historical overview of his previous work in the area. He then presented a very hopeful account of the past, present, and future trends in the area.

The next session was on "Source Credibility: History, Theory, and Evidence." Brown Grier (Northern Illinois University) gave an historical account of the theory of testimony, which was followed by an empirical paper by Michael Birnbaum (University of Illinois) and a theoretical paper by David Schum (Rice University).

The last formal session on Saturday was devoted to a Business Meeting. The details of this meeting are described elsewhere in this Newsletter. The meeting then adjourned for a cocktail hour, dinner, and socializing.

Sunday began with the Major Address by Daniel Kahneman (University of British Columbia) on "Intentional Reasoning and The Conjunction Fallacy;" Amos Tversky (Stanford University) was a coauthor. This talk created a great deal of audience feedback led by the three Discussants: ~~Lee Beach (University of Washington); John Payne (Duke University), and Nancy Pennington (University of Chicago).~~

The "Role of Experience in Judgment and Decision Making" was then presented in a special "young investigators" session with talks by Jerry Busemeyer (Indiana University/Purdue University), Gary Gaeth (Kansas State University), Barbara Mellers (University of California), and Colleen Surber (University of Wisconsin), with commentary by Kent Norman (University of Maryland).

The final session was on "Judgment and Decision Making Research in Accounting and Auditing." The three very-well received talks were by William Wright, Edward Joyce, and John Dickhaut (all of the University of Minnesota). These talks were followed by both formal and informal discussion of the future of auditing judgment research.

FOR THOSE WHO MISSED THE CONFERENCE . . .

Cassette tape recordings are available for each of the five major sessions: (1) Kenneth Hammond, (2) Source Credibility, (3) Daniel Kahneman, (4) Role of Experience, and (5) Auditing Judgment. In addition, the 1981 talks by Ward Edwards, Brown Grier and Lola Lopes, and Hillel Einhorn, as well as the 1980 talk by Brown Grier are also available. Anyone wanting copies of these tapes should send \$5.00 for each talk wanted to: James Shanteau, Department of Psychology, Kansas State University, Manhattan, Kansas 66506. (Please allow 4-6 weeks for the copies to be made.)

NOTES FROM THE JDM BUSINESS MEETING . . .

By James Shanteau

During the meeting in Minneapolis, a session was devoted to business and organizational issues. The session began with a report from James Shanteau (Kansas State University) on the program and the meeting. There were over 70 registered attendees, with several more unregistered guests; there were also a number of people from the Psychonomic Society meeting and the University of Minnesota who dropped in to hear one or more sessions. In addition, it was observed that this year for the first time there were a considerable number of people attending from foreign countries including Australia, Canada, England, New Zealand, and Sweden. In terms of both numbers attending and distance traveled, therefore, the meeting was significantly larger than the previous meeting in Philadelphia.

The hotel and local arrangements went exceedingly smoothly with no apparent problems. Special thanks were given to Lola Lopes (University of Wisconsin) for her work in dealing with the hotel and to William Wright (University of Minnesota) for his help in making the local arrangements. The program also went well and either met or exceeded expectations. Thanks were given to those who worked on the program including James Shanteau, Gary McClelland (University of Colorado), Michael Birnbaum (University of Illinois), Hillel Einhorn (University of Chicago), Jerry Busemeyer (Indiana University/Purdue University), William Wright, and Eric Johnson (Carnegie/Mellon University).

The Psychonomic Society will hold its 1983 meeting in San Diego and after some discussion it was proposed that the JDM conference meet again at the conclusion of Psychonomics. Several alternatives were considered, but it was the consensus that meeting after Psychonomics minimizes a number of business and local-arrangement problems.

The need for a better-defined organizational structure was brought out. Up to now, many individuals have been working on various projects for JDM without any clear lines of responsibility or job designations. To eliminate this problem in the future, the present informal structure will be continued in 1983, but with better labeling. Accordingly, the following people have agreed to serve in the capacities specified below for the upcoming year:

James Shanteau (Kansas State University), Overall Coordinator

Chuch Gettys (University of Oklahoma), Program Coordinator

Lola Lopes (University of Wisconsin), Meeting Coordinator

John Castellan (University of Indiana), Newsletter Editor

Gary McClelland (University of Colorado), Mailing List

Because of increased concerns for funding (up to now, much of the costs associated with JDM have been hidden in various grants, department accounts, etc.), there is a need to have a membership dues. After some discussion, it was decided that a dues of \$5 would be collected at the time of the next newsletter payment. This money would be used to fund the ongoing activities of the group during the year. It was also decided that the future registration fees would be set to cover all costs associated with the JDM meeting and that a special graduate student fee would be available to cover the marginal increase in the cost of their attendance.

After much discussion and numerous (sometimes humorous) suggestions, it was tentatively decided to adopt the designation of the "Judgment/Decision Making Society." Before, we had either been referred to as a "Group" or a "Conference." Both terms created confusion, especially in trying to make business arrangements for the meeting. The term "Society" was felt to provide a more accurate and less confusing description of our organization.

In the miscellaneous category, James Shanteau expressed a need to find someone to compile a list of teaching materials (e.g., books, films, and other items) for use in teaching an undergraduate course in judgment and decision making. There have been several requests for JDM to provide such material, but there is as yet no commonly available list. Anyone interested should contact him at 913/537-0526. John Castellán (University of Indiana) summarized the policy for submitting material to the JDM Newsletter; this policy is described in each newsletter. He also emphasized the need for on-time submissions. ~~Finally, the tentative time and place for the 1983 meeting (be sure to mark your calendar now!) is November 19-20, Saturday and Sunday, at the Sheraton Harbor Island Hotel in San Diego. This should be a delightful time of year to be in San Diego and we are looking forward to another exciting meeting.~~

*-Note: Because of some temporary problems associated with the Newsletter, the subscription rate for U.S. addresses will continue to be \$2.00.

Job at University of Colorado, Boulder

Tenure-track or tenured faculty position available in any area of psychology. Innovative use of computing techniques must be an integral component of the successful candidate's research. Preference will be given to those using the computer as a theory development tool and who have an integrated program of theoretical and empirical research. The successful candidate for this position will be expected to make teaching contributions to a new interdisciplinary program in computing applications within the College of Arts and Sciences. Individuals at all levels are encouraged to apply. Salary will be competitive depending upon rank and experience. The University of Colorado is an Equal Opportunity Employer. Send vita, representative reprints, three letters of reference, a description of computing and other equipment needs, and a description of teaching interests in a substantive area of psychology and in the area of computing applications in psychology by Oct. 30, 1983, to: Computing Applications in Psychology Search Committee, Dept. of Psychology, CB 345, Univ. of Colorado, Boulder, CO 80309. ✓

CALL FOR ABSTRACTS & PAPERS

Symposium II on Audit Judgment

Sponsored by the

Center for Accounting Research
School of Accounting

In cooperation with the
Social Science Research Institute

February 7 & 8, 1984

SYMPOSIUM OBJECTIVES

. Continue the interdisciplinary approach to audit judgment research which began with the first symposium.

. Generate relevant and methodologically feasible audit research ideas and projects.

. Update some of the new research methodologies and techniques.

. Investigate funding opportunities

INTERESTED IN PARTICIPATING?

Contact: Ted Mock or Paul Watkins
Center for Accounting Research
School of Accounting
University of Southern California
Los Angeles, CA 90089-1421

Ward Edwards
Social Science Research Institute
University of Southern California
Los Angeles, CA 90089-1421

NOTE: The Bayesian Conference will be held on February 9 and 10 at the Valley Hilton in Los Angeles. Contact Ward Edwards for further details.

NEW AND RECENT BOOKS...

Brams, S. J., & Fishburn, P. C. Approval Voting. Boston: Birkhäuser Boston, Inc. 1983. 224 pages. ISBN 3-7643-3108-9 \$24.95 (hardcover) ISBN 3-7643-3124-0 \$14.95 (softcover).

Fandel, G., & Gal, T. (Eds.), Multiple Criteria Decision Making Theory and Application. (Proceedings of the Third Conference, Hagen/Königswinter, West Germany, August 20-24, 1979) New York: Springer-Verlag, 1980. 88 figures, 44 tables, 570 pages, \$48.00. ISBN 0-387-09963-8.

Gasparski, W. Understanding Design: The Praxiological Systemic Perspective. Seaside (CA): Intersystems Publishing, 1983. (P.O. Box 624, Seaside CA 93955).

Gasparski, W., & Pszczołowski, T., (Eds.), Praxiological Studies: Polish Contributions to the Science of Efficient Action. 1983. D. Reidel Publishing and PWN - Polish Scientific Publishers, Dordrecht, Holland (P. O. Box 322, 3300 AH Dordrecht) for U.S.A. and Canada: Kluwer-Boston, Inc., 90 Old Derby St., Bingham, MA 02043.

Hwang, C.-L., & Yoon, K. Multiple Attribute Decision Making Methods and Applications: A State of the Art Survey. New York: Springer-Verlag, 1981. 26 figures, 21 tables, 259 pages, \$19.00. ISBN 0-387-10558-1.

Morse, J. N. (Ed.), Organizations: Multiple Agents with Multiple Criteria. (Proceedings of the Fourth International Conference on Multiple Criteria Decision Making, University of Delaware, Newark, August 10-15, 1980.) New York: Springer-Verlag, 1981. 509 pages, \$36.00. ISBN 0-387-10821-1.

Sengupta, J. K. Optimal Decisions under Uncertainty. New York: Springer-Verlag, 1981. 156 pages, \$15.00. ISBN 0-387-10869-6.

Discusses the current state-of-the-art in the applied field of decision making under uncertainty. Linear programming under uncertainty, methods of characterizing various types of risk aversion and two-person non-zero sum games with stochastic pay-offs are used as illustrative models.

In addition to its overall view of the current status in the field, this book offers an interdisciplinary view of applied methods of decision-making under risk and new results of research in stochastic programming.

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