

Decision Making & Behavioral Biases

Many of these biases are studied for how they affect belief formation and business decisions and scientific research

Bandwagon effect: the tendency to do (or believe) things because many other people do (or believe) the same. Related to **Groupthink**, **Herd Behaviour**, **Manias** and **Socionomics**. **Carl Jung** pioneered the idea of the **Collective unconscious** which is considered by Jungian psychologists to be responsible for this cognitive bias.

Bias blind spot: the tendency not to compensate for one's own cognitive biases.

Choice-supportive bias: the tendency to remember one's choices as better than they actually were.

Confirmation bias: the tendency to search for or interpret information in a way that confirms one's preconceptions.

Congruence bias: the tendency to test hypotheses exclusively through direct testing

Contrast effect: the enhancement or diminishment of a weight or other measurement when compared with recently observed contrasting object.

Disconfirmation bias: the tendency for people to extend critical scrutiny to information which contradicts their prior beliefs and accept uncritically information that is congruent with their prior beliefs.

Endowment effect: the tendency for people to value something more as soon as they own it.

Focusing effect: prediction bias occurring when people place too much importance on one aspect of an event; causes error in accurately predicting the utility of a future outcome.

Hyperbolic discounting: the tendency for people to have a stronger preference for more immediate payoffs relative to later payoffs, the closer to the present both payoffs are.

Illusion of control: the tendency for human beings to believe they can control or at least influence outcomes which they clearly cannot.

Impact bias: the tendency for people to overestimate the length or the intensity of the impact of future feeling states.

Information bias: the tendency to seek information even when it cannot affect action

Loss aversion: the tendency for people to strongly prefer avoiding losses over acquiring gains (see also **sunk cost effects**)

Neglect of Probability: the tendency to completely disregard probability when making a decision under uncertainty.

Mere exposure effect: the tendency for people to express undue liking for things merely because they are familiar with them.

Omission bias: The tendency to judge harmful actions as worse, or less moral than equally harmful omissions (inactions.)

Outcome bias: the tendency to judge a decision by its eventual outcome instead of based on the quality of the decision at the time it was made.

Planning fallacy: the tendency to underestimate task-completion times.

Post-purchase rationalization: the tendency to persuade oneself through rational argument that a purchase was good value.

Pseudocertainty effect: the tendency to make risk-averse choices if the expected outcome is positive, but make risk-seeking choices to avoid negative outcomes.

Rosy retrospection: the tendency to rate past events more positively than they had actually rated them when the event occurred.

Selective perception: the tendency for expectations to affect perception.

Status quo bias: the tendency for people to like things to stay relatively the same.

Von Restorff effect: the tendency for an item that "stands out like a sore thumb" to be more likely to be remembered than other items.

Zero-risk bias: preference for reducing a small risk to zero over a greater reduction in a larger risk.

Biases in Probability & Belief

Many of these biases are often studied for how they affect business and economic decisions and how they affect experimental research.

Ambiguity effect: the avoidance of options for which missing information makes the probability seem "unknown"

Anchoring: the tendency to rely too heavily, or "anchor," on one trait or piece of information when making decisions

Anthropic bias: the tendency for one's evidence to be biased by observation selection effects

Attentional bias: neglect of relevant data when making judgments of a correlation or association

Availability heuristic: a biased prediction, due to the tendency to focus on the most salient and emotionally charged outcome

Belief bias: the tendency to base assessments on personal beliefs (see also **belief perseverance** and **Experimenter's regress**)

Belief Overkill: the tendency to bring beliefs and values together so that they all point to the same conclusion

Clustering illusion: the tendency to see patterns where actually none exist

Conjunction fallacy: the tendency to assume that specific conditions are more probable than general ones

Gambler's fallacy: the tendency to assume that individual random events are influenced by previous random events— "the coin has a memory"

Hindsight bias: sometimes called the "I-knew-it-all-along" effect, the inclination to see past events as being predictable

Illusory correlation: beliefs that inaccurately suppose a relationship between a certain type of action and an effect

Myside bias: the tendency for people to fail to look for or to ignore evidence against what they already favor

Neglect of prior base rates effect: the tendency to fail to incorporate prior known probabilities which are pertinent to the decision at hand

Observer-expectancy effect: when a researcher expects a given result and therefore unconsciously manipulates an experiment or misinterprets data in order to find it. (see also **subject-expectancy effect**)

Overconfidence effect: the tendency to overestimate one's own abilities

Polarization effect: increase in strength of belief on both sides of an issue after presentation of neutral or mixed evidence, resulting from biased assimilation of the evidence.

Positive outcome bias (prediction): a tendency in prediction to overestimate the probability of good things happening to them. (see also **wishful thinking** and **valence effect**)

Recency effect: the tendency to weigh recent events more than earlier events (see also **peak-end rule**)

Primacy effect: the tendency to weigh initial events more than subsequent events

Subadditivity effect: the tendency to judge probability of the whole to be less than the probabilities of the parts

Social Biases

Most of these biases are labeled as **attributional biases**.

Forer effect (aka Barnum Effect): the tendency to give high accuracy ratings to descriptions of their personality that supposedly are tailored specifically for them, but are in fact vague and general enough to apply to a wide range of people.

Egocentric bias: occurs when people claim more responsibility for themselves for the results of a joint action than an outside observer would.

False consensus effect: the tendency for people to overestimate the degree to which others agree with them.

Fundamental attribution error: the tendency for people to over-emphasize personality-based explanations for behaviors observed in others while under-emphasizing the role and power of situational influences on the same behavior (*see also group attribution error, positivity effect, and negativity effect*).

Halo effect: the tendency for a person's positive or negative traits to "spill over" from one area of their personality to another in others' perceptions of them (*see also physical attractiveness stereotype*).

Illusion of asymmetric insight: people perceive their knowledge of their peers to surpass their peers' knowledge of them.

Illusion of transparency: people overestimate others' ability to know them, and they also overestimate their ability to know others.

Ingroup bias: preferential treatment people give to whom they perceive to be members of their own groups.

Just-world phenomenon: the tendency for people to erroneously believe that the world is "just" and therefore people "get what they deserve."

Lake Wobegon effect: the human tendency to report flattering beliefs about oneself and believe that one is above average (*see also worse-than-average effect, and overconfidence effect*).

Notational bias: a form of cultural bias in which a notation induces the appearance of a nonexistent natural law.

Outgroup homogeneity bias: individuals see members of their own group as being relatively more varied than members of other groups.

Projection bias: the tendency to unconsciously assume that others share the same or similar thoughts, beliefs, values, or positions.

Self-serving bias: the tendency to claim more responsibility for successes than failures. It may also manifest itself as a tendency for people to evaluate ambiguous information in a way beneficial to their interests (*see also group-serving bias*).

Trait ascription bias: the tendency for people to view themselves as relatively variable in terms of personality, behavior and mood while viewing others as much more predictable.

Self-fulfilling prophecy: the tendency to engage in behaviors that elicit results which will (consciously or subconsciously) confirm our beliefs.