



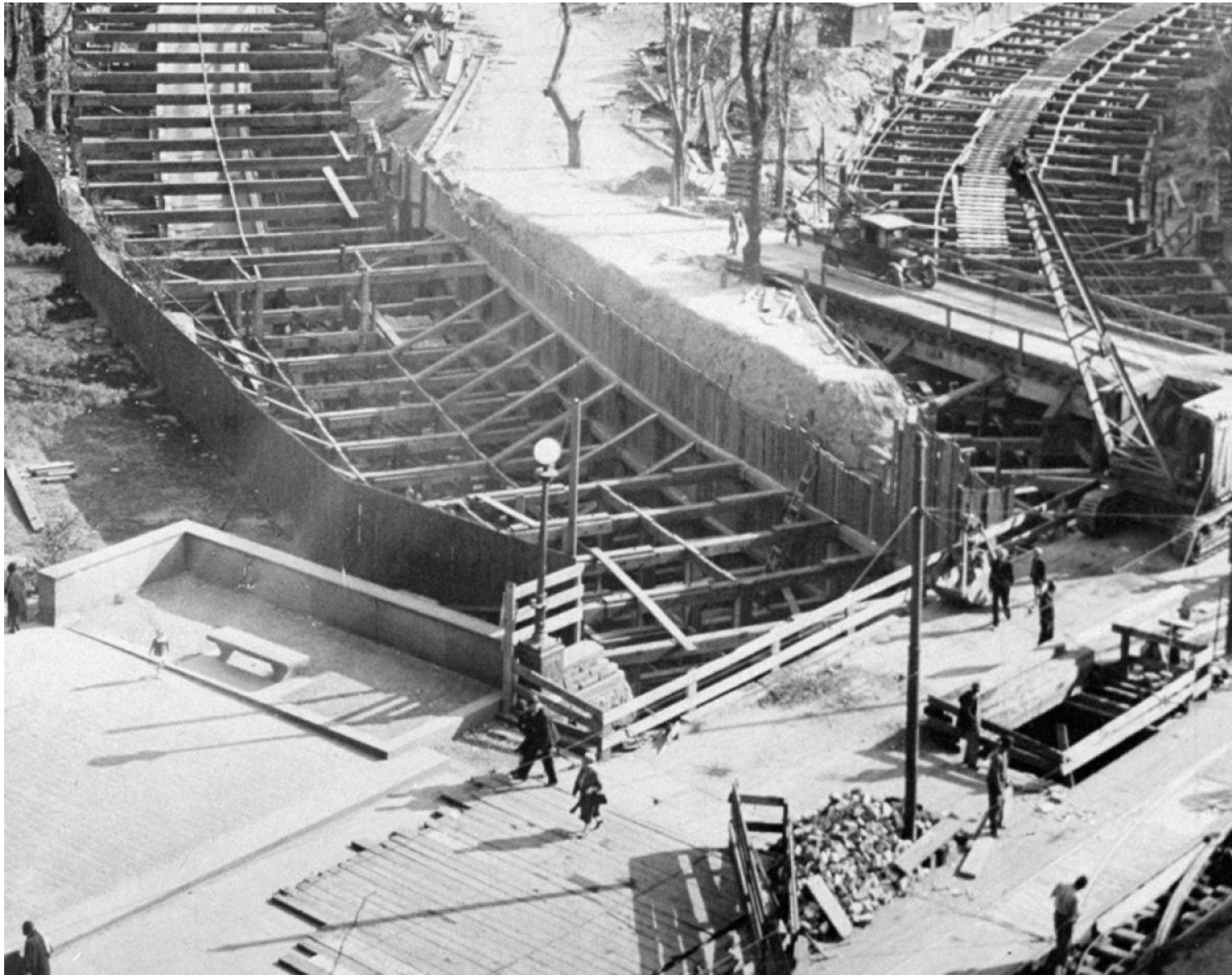
# The planning fallacy

Or to put it another way, why are big projects always late and over budget?

# The Big Apple









HOME > MAJOR MILESTONE REACHED IN PHASE II OF SECOND AVENUE SUBWAY PROJECT

# Major Milestone Reached In Phase II Of Second Avenue Subway Project



WRITTEN BY AMANDA FOLEY ON 23/11/2018 IN NEWS

TAGGED:



On November 19, New York's Metropolitan Transportation Authority (MTA) announced that the Federal Transit Administration (FTA), part of the US Department of Transportation, issued a "Finding of No Significant Impact" (FONSI) for Phase II of the Second Avenue Subway project, based on review of the Supplemental Environmental Assessment prepared for the project.

This phase of the project will extend the Q train line from its current terminus at 96<sup>th</sup> Street and Second Avenue, north to 125<sup>th</sup> Street, then west to Lexington and Park Avenues, where it will connect with the 4, 5 and 6 trains and the Metro-North Railroad. Three new stations will be built at 106<sup>th</sup> Street and Second Avenue, 116<sup>th</sup> Street and Second Avenue, and 125<sup>th</sup> Street and Lexington Avenue. Tail tracks, where trains will be stored prior to heading back south, will continue west just past Lenox Avenue.

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city rail link auckland



## Digital Edition



# Buehler Research Lab

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Welcome to the Buehler Lab website. Research carried out in our lab is generally in the area of social psychology, with an emphasis on social cognition and the self. We study people's thoughts about themselves and others across time, including their memories, predictions, goals and plans.

Many of our research projects examine the kinds of judgments and predictions that people make on a daily basis, such as their attempts to predict task completion times, to estimate future expenses, and to forecast affective reactions to upcoming events.

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Mana Arotake Aotearoa



# The Planning Fallacy

R Buehler, D Griffin, M Ross - Journal of personality and social sciences, 1994



# The Optimism Bias

T Sharot - Current biology, 2011

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Tali Sharot | TED2012

# The optimism bias



# Coordination Neglect

B Straats, K Milkman and C Fox, *Organizational Behavior and Human Decision Processes*, Volume 118, July 2012



# Don't think too much

Yael Grushka-Cockayne, University of Virginia's Darden School of Business

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# The iron law of megaprojects

Bent Flyvbjerg, professor at Oxford University's Saïd Business School.

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The Sveriges Riksbank Prize in  
Economic Sciences in Memory of  
Alfred Nobel 2002

Daniel Kahneman  
Vernon L. Smith

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## Daniel Kahneman Facts

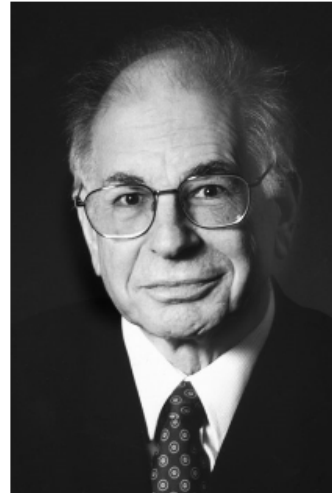


Photo from the Nobel  
Foundation archive.

Daniel Kahneman

The Sveriges Riksbank Prize in Economic Sciences in  
Memory of Alfred Nobel 2002

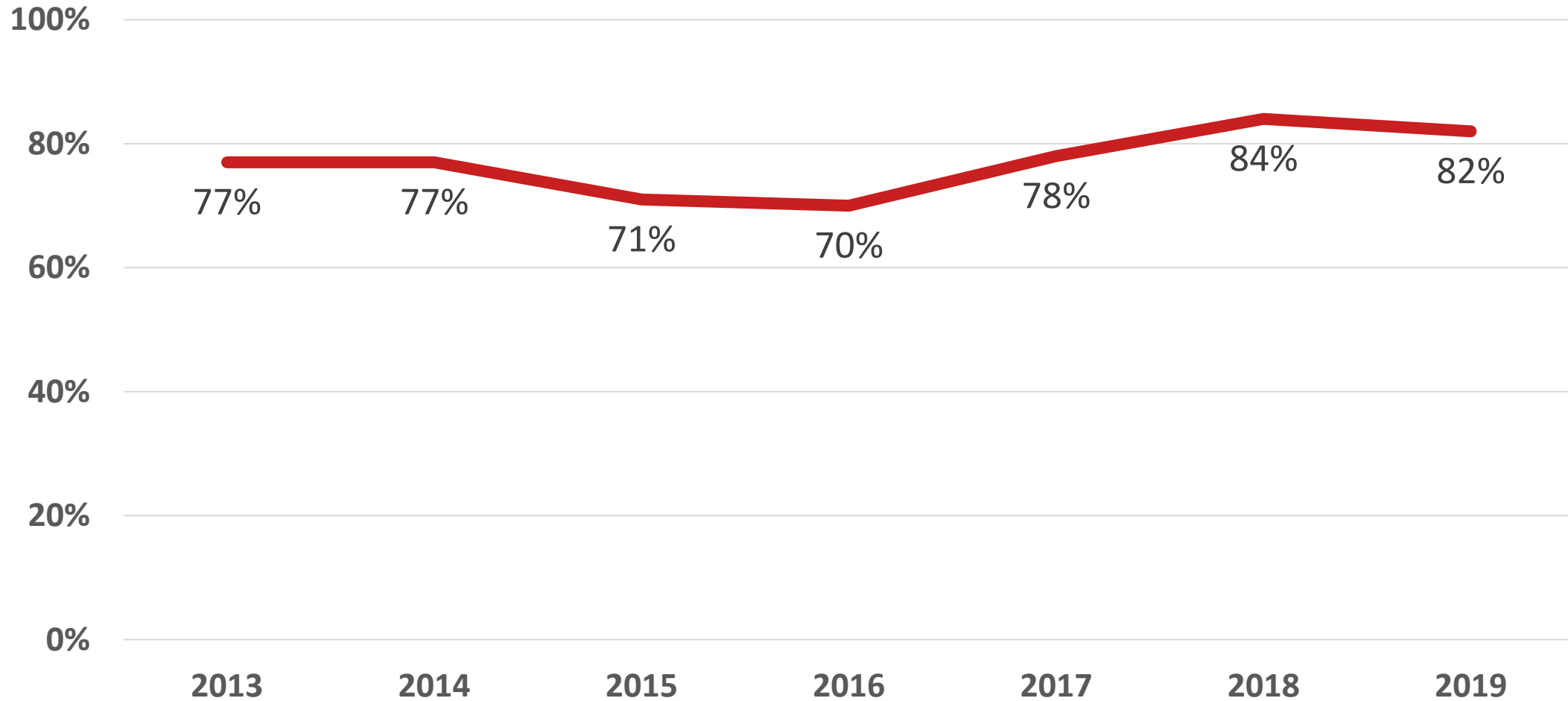
Born: 5 March 1934, Tel Aviv, British Mandate of Palestine  
(now Israel)


Affiliation at the time of the award: Princeton University,  
Princeton, NJ, USA

Prize motivation: "for having integrated insights from  
psychological research into economic science, especially  
concerning human judgment and decision-making under  
uncertainty."

Contribution: Integrated economic analysis with  
fundamental insights from cognitive psychology, in particular  
regarding behavior under uncertainty, thereby laying the  
foundation for a new field of research.

# Percentage of capital expenditure budget spent: all councils



- 
- **Overcome the planning fallacy**
  - **Be aware of optimism bias**
  - **Watch out for strategic misrepresentation**
  - **Don't suffer coordination neglect**
  - **Use past experience on over-runs to review future plans**
  - **Reframe the iron law of mega projects**