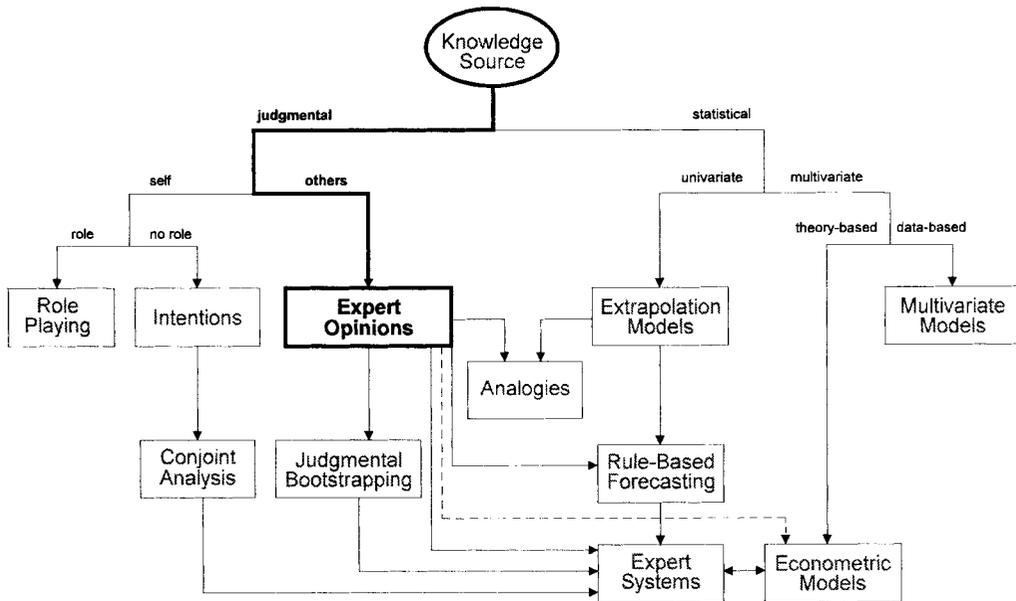

EXPERT OPINIONS

"Good judgment comes from experience, and experience ... well that comes from poor judgment."

Bernard Baruch



In many situations, the first step is to ask the experts. Sometimes this is enough as experts may make excellent forecasts. Expert opinion is, however, subject to biases and shortcomings. Much is known about the causes of these limitations and there are solutions to reduce their detrimental effects. Some solutions are simple and inexpensive, such as “there is safety in numbers” and “structure the collection and analysis of experts’ opinions.”

In “Improving Judgment in Forecasting,” Nigel Harvey of the Department of Psychology, University College London, discusses procedures for improving experts’ forecasts. Some of these procedures, such as “retain forecast records,” have proven effective.

In “Improving Reliability of Judgmental Forecasts,” Thomas Stewart of the Center for Policy Research at the University at Albany explains how the accuracy

of expert forecasts is reduced when people use unreliable procedures to collect and analyze information. For example, despite the common notion that decision-makers should "get as much information as they can," much research supports the principle that you should limit the amount of information used in judgmental forecasting.

In "Decomposition for Judgmental Forecasting and Estimation," Donald MacGregor at Decision Research in Eugene, Oregon, describes how to decompose problems so that experts can make better estimates and forecasts. The

evidence shows that this procedure can be powerful, although it can harm accuracy under some conditions.

In "Expert Opinions in Forecasting: The Role of the Delphi Technique," Gene Rowe from the Institute of Food Research in Colney, England and George Wright from Strathclyde University in Scotland provide an overview of forecasting with expert opinions. They use the Delphi procedure as a framework to integrate principles for improving expert forecasts. Compared with traditional procedures, Delphi provides more accurate forecasts
