

# ERP Horizon Scanning Project: Strategic Foresight, Expert Judgement and Decision Making

26<sup>th</sup> April 2017

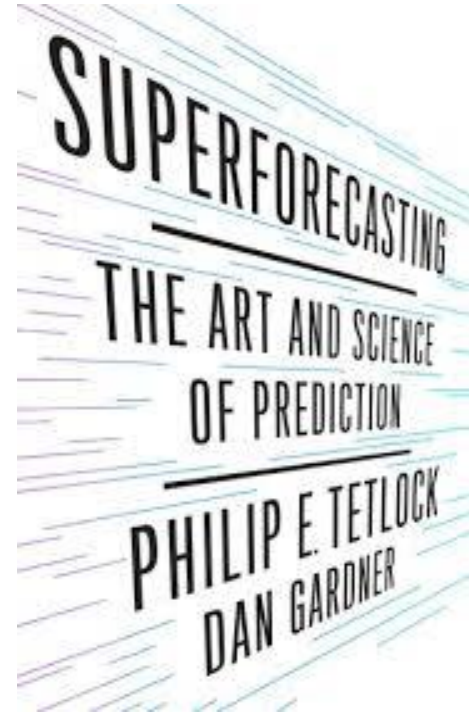


# Work in prediction is growing



## The signal and the noise (Nate Silver)

*the signal and the noise and the noise and the noise and the noise why so many predictions fail – but some don't fail and the noise and the noise and the noise nate silver noise noise and the noise*



## Superforecasting

(Philip Tetlock & Dan Gardner)

# ERP undertook horizon scanning



- Two workshops:
  - 41 attendees from a variety of backgrounds
  - 4 different exercises
  - harvested over 550 ideas
- Outputs structured and condensed:
  - reduced to 35 themes
  - developed into a survey
- Questionnaire circulated within energy sector:
  - 74 responses
  - 12,950 data points

# Findings subject to ranges in views



- General confidence that the energy system actors will be able to manage any future disruptive change.
- But, data is subject to substantial variability.
- Some variability is along age lines, e.g. <25yr-olds are:
  - more certain that drivers of change are occurring over shorter timeframes (<30 yrs)
  - more willing to foresee reasonable likelihood of disruption (i.e. actor not being able to cope with change to energy sector)

# Most futures studies see variability



- First study in 1975 (technical estimates):
  - Experts used different methods to calculate estimates
  - True value lay outside the ranges of all experts
  - Experts were generally over confident
- Same results seen in many studies in many disciplines
  - e.g. Review of energy scenarios (Will McDowell, UCL)
- **Conclusions:**
  - Averaging expert opinions does not converge on the truth
    - Whole groups can be biased
  - Level of technical skill does not predict ones ability to make good judgements
    - The same expert will not always be reliable
    - No clear relationship between confidence and accuracy

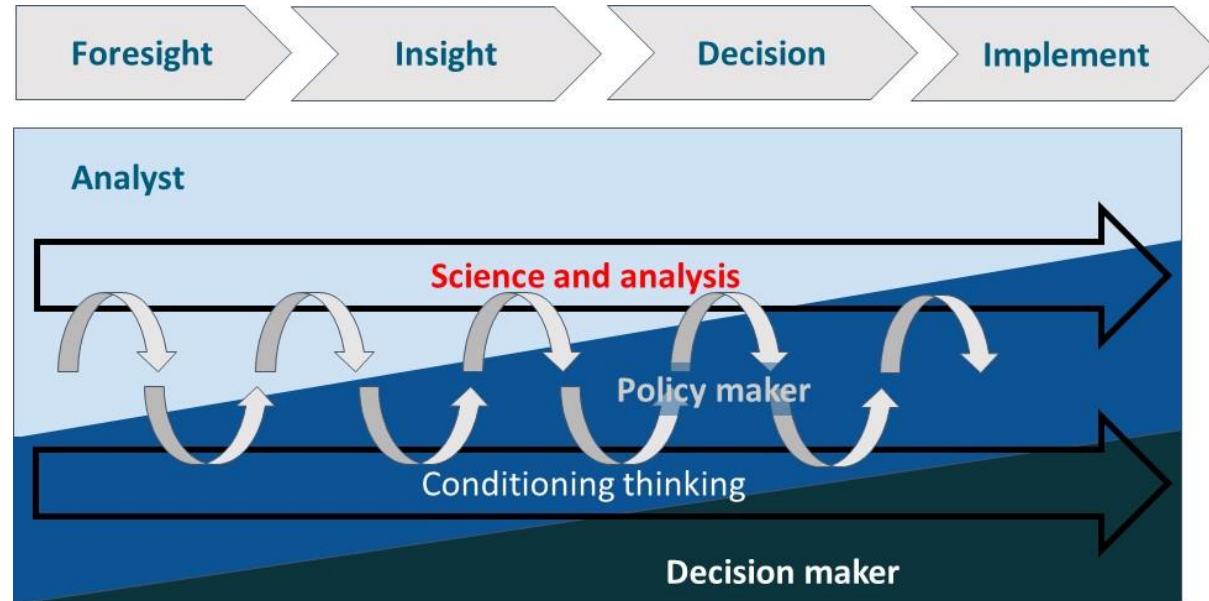
# But can variability be reduced?



***“How you think matters more than what you think”***

***- Philip Tetlock***

- More analysis does not necessarily mean better foresight/decisions
- Need better methods to turn foresight into outputs
- Training required for assessing technical estimates & predictions





Department of  
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## Decision Framing & Uncertainty Network Workshop: What do Decision Makers want from the Analytical Community?

ROYAL GEOGRAPHY SOCIETY | LONDON SW7 2AR | 5-6 JULY 2017

### WEDNESDAY 5 JULY 2017 & THURSDAY 6 JULY 2017

- **Participatory Simulations:** explore decision making under risk and uncertainty
- **Panel Session:** what decision makers want from analysts
- **Simulation feedback**
- **Open Forum:** areas for future research and collaboration