

# Decision Processes Colloquia

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**Monday, October 20, 2014**

Where: 265 JMHH

When: 12:00 – 1:15 pm

## **John Lynch**

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## **Resource Slack: Perceived Supply and Demand in Goal Pursuit**

**ABSTRACT:** We present a general theory of “resource slack,” the degree to which perceived supply of a resource exceeds or falls short of perceived demand for that resource. We consider how perceptions of low slack trigger planning and changes in the consideration set of options for action. We present novel evidence about opportunity cost consideration and other forms of planning. We show how planning and goal pursuit cause changes in the relative value of focal and nonfocal options and cause changes in perceptions of relative slack now versus the future. These dynamics play out differently for different resources such as time and money due to characteristic properties of supply and demand for these resources. We consider how slack determines persistence in tasks, opportunity cost consideration, discounting of future resource expenditures, procrastination, and other intertemporal phenomena in the judgment and decision making literature.

**Keywords:** resource slack, constraint, opportunity costs, goals, planning

