



UNIVERSITÀ
DEGLI STUDI
DI BERGAMO

Department
of Management

Research Seminars Series

A.Y. 2022-2023 2nd Term

April 28, 2023 – 12:30 p.m. (CET)

In room 14, via dei Caniana 2

AND Online on Microsoft Teams ([link](#))

Presenter: Prof. Tom Overmans

University of Utrecht

TITLE – *Biases and Budgeting Behavior: Rethinking Public Budgeting Research*

ABSTRACT – The budgeting behavior of politicians is almost certainly affected by cognitive biases. Due to the collective nature of Public Budgeting, however, attention to the mental dimensions of budget decision-making has receded into the background. This study uses empirical insights from behavioral economics and psychology to develop a theory for individual-oriented public budgeting research. We demonstrate the influence of eight common cognitive biases on private financial decisions and relate them to decision-making in the public sector. The biases are overconfidence, herding, representativeness, anchoring, availability, loss aversion, regret aversion, and mental accounting. We formulate ten propositions and a research agenda with which the Behavioral Public Budgeting theory can be tested and modified.

TYPE OF RESEARCH – Theoretical

STAGE OF RESEARCH – Under review

For further information please refer to: seminars.dipsa@unibg.it



Short bio

Tom Overmans is a Public Administration scholar from Utrecht University, Netherlands. He has extensive experience in practice and science. In his teaching and research, Tom connects theories from public management, public finance and psychology. His current research is about the budgeting behavior of politicians. Why do they fail to invest in the topics they personally find most important, but instead invest in topics that have been in the news a lot, that are easy to understand or that they know others are investing in? Through experimental research, Tom studies the influence of cognitive biases on the decision-making behavior of local politicians and ways to combat those errors. For this 3-years research project he received a prestigious "Veni" talent grant from the Dutch Research Council (NWO).

A second research area of Tom focuses on the significance of Public Administration (PA) in tackling societal issues. With Marlies Honingh and Mirko Noordegraaf he edited the book 'Maatschappelijke Bestuurskunde' (English title: Societal Public Administration). In the book, published March 2023, leading authors investigate how PA can better respond to the grand issues of our time. How can our discipline contribute to combatting issues related to climate, energy, healthcare, housing, equality, policy execution, and so on.

Tom is involved in bachelor's, master's and executive's modules in the fields of economics, public finance, public financial management, public performance, and societal impact. He is an executive board member of the Dutch Association for Public Administration. He is part of the executive committee of the Public Service Accounting and Accountability Group, and active member of various international research communities such as the IRSPM, EGPA, PMRA.