

## Predictable Surprises

THE DISASTERS YOU SHOULD HAVE SEEN COMING, AND HOW TO PREVENT THEM

Max H. Bazerman Michael D. Watkins

HARVARD BUSINESS SCHOOL PRESS Boston, Massachusetts

## Contents

	Preface	IX
	Acknowledgments	xiii
1	What is a Predictable Surprise? A Preview	
PART I	PROTOTYPES OF PREDICTABLE SURPRISES	13
2	September 11 The Costs of Ignoring a Predictable Surprise	15
3	The Collapse of Enron and the Failure of Auditor Independence	43
PART II	WHY DON'T WE ACT ON WHAT WE KNOW?	69
4	Cognitive Roots The Role of Human Biases	71
5	Organizational Roots The Role of Institutional Failures	95
6	Political Roots The Role of Special-Interest Groups	121
PART III	PREVENTING PREDICTABLE SURPRISES	153
7	Recognition Identifying Emerging Threats Earlier	157

CONTENTS

8	<b>Prioritization</b> Focusing on the Right Problems	179
9	<b>Mobilization</b> Building Support for Preventative Action	203
10	Future Predictable Surprises	225
	Appendix A: General Accounting Office Reports Warning of Aviation Security Weaknesses, 1994—2001 Appendix B: Ten Elements of an Effective	259
	Crisis-Response Plan	263
	Notes	267
	Further Reading	299
	Index	301
	About the Authors	323

viii