Decisive - How to Make Better Choices in Life and Work
by Chip Heath & Dan Heath - 2013

Book review video: https://www.youtube.com/watch?v=aOht6nqnjhI

Book videos (no longer available online)

0. Introduction - part-1 0:15
    The mind has intuitive feelings and opinions about everything that comes our way.
    We are quick to jump to conclusions based on information in front of us vs just offstage.
    What you see is all there is; the spotlight effect.
    Process is superior to analysis to make good decisions in order to overcome faulty logic.
    Explore alternative points of view, recognize uncertainty, search for evidence that
    contradicts our beliefs.
    It is challenging to correct a bias just by being aware of it. The pros-and-cons list
    "moral algebra" decision method is flawed, biased; lists of pros and cons, strike out
    weighted balancing factors.

1. Four villains of decision making - part-1 16:03
    1 Narrow framing; unduly limiting the options we consider
    2 Confirmation bias; seeking out information that supports our beliefs
    3 Short-term emotion; being swayed by emotions that will fade
    4 Overconfidence; having too much faith in our predictions

    How villains influence the normal decision process
    1 You encounter a choice.
       But narrow framing makes you miss options.
    2 You analyze your options.
       But the confirmation bias leads you to gather self-serving information.
    3 You make a choice.
       But short-term emotion will often tempt you to make the wrong one.
    4 Then you live with it.
       But you'll often be overconfident about how the future will unfold.

    WRAP process is the opposite of the villains
    1 Widen your options
    2 Reality-test your assumptions
    3 Attain distance before deciding
    4 Prepare to be wrong

    Intuitive Decisions
       limited domain
       learning environment continuum: kind - wicked
       feedback factors: clear, immediate, unbiased

2. Avoid a Narrow Frame - part-2 3:18

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Whether or not decision = a single option
   Worse is a Yes or Yes choice
opportunity cost identifies additional options
vanishing options test; forced to generate a new option
"whether or not" is a red flag

3. Multitrack - part-2 39:32
   work in parallel and endure inefficiency; multitracking; simultaneous design
      one at a time design connects to ego
      multiple options; built-in fallback plan
      vs paralyzing choice overload; moderate number of choices
      rule of thumb: keep searching for options until you fall in love twice
   think AND vs OR
   produce options that are meaningfully distinct; vs sham options
      poll for consensus; if disagreement, have real options
   promotion AND prevention mindset

4. Find someone who solved your problem - part-3 18:00
   find someone else who has solved a problem
   look within organization for someone who has solved a problem
   record a list of questions and options for the future; proactive playlist
   budget cuts; strategic options vs fixed amount; playlist of strategic options
   checklist is replicated actions, prevents error; playlist is new ideas; multitrack
      playlist is missing a novel solution
   analogy; ability to extract crucial features of the current problem
      search for others who have solved the problem
      original problem solving is more work
      laddering up; learning from another organism

5. Consider the Opposite - part-4 0:52
   reality test assumptions; confirmation bias can only be reined in
   inflate ego self-confidence; deters others challenging thinking
   2X likely to favor confirming information compared with disconfirming info
   develop constructive disagreement; justice system considers opposing views
      for high stakes decisions; embrace discomfort of being challenged
      interpret criticism as a noble activity; seek out existing dissent
      barrier politics; descend into bitter opposition
      reframing turns adversaries into collaborators
      what would have to be true for option to work? search for disconfirming data
      dissenters become problem solvers
      set trip wire; if X happens, reconsider option at a later date
      disagree without becoming disagreeable ; change mind without losing debate
   ask probing questions; start broad and open ended; gradually narrow
   considering the opposite; assume positive intent
   test process: intentionally inject a mistake
      evaluate based on evidence

6: zoom out, zoom in - part-4 46:15
    reviews: trust averages vs our own impressions
        inside view vs outside view
        compare time frame with base rates; inside view overly optimistic
        past and present is more reliable than the future
    close-up view gives texture, intuition
    visit the jenba; where the action happens; close-up view
        how can you improve something you don't understand?
        reveal important nuances

7: ooch - part-5 27:18
    design small experiment to test a concept
        blend of inch + scoot
    predictions are unreliable; test reality instead of predicting
    ooch works with need for more info; fails if requires commitment

8: overcome short term emotion - part-6 4:35
    high pressure car sales
    Susie Welch; 10 - 10 - 10; minutes - months - years from now
        keep short-term emotions in perspective
    mere exposure principle; familiarity breeds contentment
        extends to our perception of truth
    loss aversion; pain of loss is larger than pleasure of gain
    result = status quo bias
    best friend question filters out complexity and clarifies - longer term decision

9: honor your core priorities - part-6 43:25
    need to pick between two great options
    core priorities related to long term emotions
        less important tasks threaten to distract
    enshrine priorities so can influence many people to make future decisions
        compared with generic guidelines e.g. integrity
        guiding principles; use judgment and make consistent and correct decisions
    guardrails wide enough to empower and narrow enough to guide
    people rarely establish priorities until they are forced to
    establishing priorities is different than binding to them
        urgencies crowd out priorities
    list A of core priorities vs list B of important but lesser priorities
        identify what can be cut from list B in order to have time for list A

10: book end the future - part-7 19:30
    prepare to be wrong
    bookends: lower (dire) scenario + rosy scenario; exclude extremes
    compare with target for the future; is unknowable
    each end of bookends requires a different pool of knowledge

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premortem; identify ways plan can fail
   preparade; identify ways plan can be overly successful + issues
add safety margin
ego check; balloon bursting; set expectations

11: set a trip wire - part-8 7:55
   signal jolt to remind us to make a decision
   issue: existing infrastructure implies existing set of processes to review
     tends to deter a change in direction; inertia
   annual review = desperate trip wire
   partition of resources; set trip wires with boundaries
     disrupt cycle of steady escalation
     carve out a safe space for experimentation
   recognize patterns
   labeling a trip wire makes it easier to recognize; legitimizes
     e.g. lemur = vague feeling something isn't right
     quick shift from autopilot to manual; unconscious → conscious behavior

12: trusting the process - part-8 51:32
   WRAP process contributes to fairness; understand how decision is made
   compromise; make use of different opinions; reduce risk
     ask disconfirming questions
     takes more time; buy-in; decision + implementation
   procedural justice explains how feel about a decision
     give people a chance to be heard and present their case
     really listen to what people say
     use accurate information to make the decision
     give people a chance to challenge the information if it is incorrect
     apply principles consistently across situations
     avoid bias and self interest
     explain why the decision was made
     and be candid about relevant risks or concerns
   anti-intuitive; explain advantages of rejected + disadvantages selected
     reality based decision
   confidence in process is more important than decision outcome

Summary: part-9 21:25
   next steps, additional reading, clinic examples

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Text with Nuggets of Insight

Find Someone Who Solved Your Problem

https://www.youtube.com/watch?v=l-8IHLWxZ4s 18:00
Who else is struggling with a similar problem? And what can I learn from them?
To break out of a narrow frame, we need options. And one of the most basic ways to
generate new options is to find someone else who solved your problem.
Good ideas are often adopted quickly and become best practices.
In other cases, practices that work for one organization may be incompatible with another, like
an organ transplant that is rejected. That's why when hunting for new options, to look inside our
own organization. Sometimes the people who have solved our problems are our own colleagues.
Look for and study bright spots which are native to your own situation you are seeking to reproduce.

https://www.youtube.com/watch?v=l-8IHLWxZ4s 30:00
The process of looking for best practices and bright spots is reactive. But there is a lot to be
gained by taking the results of your search and recording them for future use, to turn a
reactive search into a proactive set of guidelines.
We can encode the advice of others who have solved a problem and create a kind of playlist
of managerial greatest hits: questions to ask, principles to consult, ideas to consider. This
playlist idea turns a reactive search (who has solved my problem?) into a proactive step
(we've already found the people who have solved this problem, and here's what they said).

https://www.youtube.com/watch?v=l-8IHLWxZ4s 41:30
Playlists should be as useful as checklists. Yet your organization has many checklists and
probably zero playlists. A checklist is useful for situations where you need to replicate the
same behaviors every time. It's prescriptive. It stops people from making an error. On the
other hand, a playlist is useful for situations where you need a stimulus, a way of producing
new ideas. It's generative. It stops people from overlooking an option. Don't forget to shine
your spotlight over here. Playlists also spur us to multitrack, shifting between the prevention
and promotion mindsets. Most decision makers faced with budget cuts are likely to be
trapped in the prevention mindset, concerned with preventing harm. Of course, playlists are
no panacea. You'll never have a playlist for any decision that is novel, for instance. And
given the relentless pace of change, those decisions will be all too frequent.

How to make budget cuts

https://www.youtube.com/watch?v=l-8IHLWxZ4s 38:50
What if the wisest minds in your organization had come up with a readymade list of
questions and issues that could help direct the budget cutter? Is it possible the budget can be
cut by delaying planned expenditures rather than by paring existing expenditures? Have you
exhausted other potential sources of income that might relieve the need for cutting? Resist
the urge to cut everything by a fixed amount. Think about ways to be more strategic with
cuts. Could you cut deeper than you need to, in order to free up funds to invest in exciting
new opportunities? This would allow a manager to sort quickly through potential options.

Stuck

https://www.youtube.com/watch?v=l-8IHLWxZ4s 42:50
What if you have a choice to make where there is no playlist to review? No best practices to consult? And no bright spots to study? Simply put, what if you get stuck?

Analogy
https://www.youtube.com/watch?v=l-8IHLWxZ4s 43:10

The use of analogies is one of the main mechanisms for driving research forward. The key to using analogies successfully is the ability to extract the crucial features of the current problem. This requires the ability to think of the problem from a more abstract general perspective, and then search for other problems that have been solved. Find someone who has solved your problem.

An alternative to analogy is to manipulate the parameters to make things work. Thus a problem that could have been solved by making an analogy to another similar experiment (local analogy) or to another organism (regional analogy) was not made, leaving some problems unsolved, either temporarily or over the long term.

When you use analogies, when you find someone who has solved your problem, you can take your pick from the world's buffet of solutions. But when you don't bother to look, you've got to cook up the answer yourself. Every time. It may be possible, but it's not wise. And it certainly ain't speedy.

Granular problems benefit from local analogies. Conceptual problems lend themselves to regional analogies. The more you are able to extract the crucial features of a problem, the further afield you can go.

Laddering Up - broaden the definition of a problem
https://www.youtube.com/watch?v=l-8IHLWxZ4s 48:55

When you are stuck, you can use a process for laddering up to get inspiration. The lower rungs of the ladder offer situations very similar to yours. Any visible solutions will offer a high probability of success, since the conditions are so similar. As you scale the ladder, you'll see more and more options from other domains. But those options will require leaps of imagination. They'll offer the promise of an unexpected breakthrough, but also a high probability of failure.

https://www.youtube.com/watch?v=l-8IHLWxZ4s 59:30
These were smart people who were trapped in a kind of cognitive bubble. Yet what makes narrow framing remarkable among the four villains of decision making is how easy it is to correct. The lightest prick often bursts the bubble. We've encountered a handful of techniques for doing just that. For widening our options. One of them was the vanishing options test. What if you couldn't do any of the things you are considering? What else might

you try? What if you were forced to invest your time or money in something else? What would be the next best pick? We also saw that multitracking, thinking AND not OR, is a powerful way to compare options. And that we can create more balanced options by toggling between the prevention and promotion mindsets. Finally, if we get stuck, we should find someone who has already solved our problem. To find them, we can look inside for bright spots, outside for competitors and best practices, and into the distance via laddering up. When we widen our options, we give ourselves the luxury of a real choice among distinct alternatives. Often the right choice won't be obvious at first glance, though we may have a hint of a preference. So to inform our decision, we'll need to gather more information. But we've already encountered the villain that tends to thwart these efforts: the confirmation bias, which tempts us to collect only the information that supports our gut level preference. Unlike narrow framing, the confirmation bias is not easily disrupted. Even the smartest psychologists who have studied the bias for years admit that they can't shake it. It can't be wiped out. It can only be reined in. Reality test your assumptions.

Seek disagreement

https://www.youtube.com/watch?v=mANVpjkA7y0 5:10
To make good decisions, CEO's need the courage to seek out disagreement.
We have a confirmation bias to favor our own beliefs. We are more than twice as likely to favor confirming information than disconfirming information. The confirmation bias is stronger in emotion-laden domains, and also when people have a strong underlying motive to believe one way. The confirmation bias also increases when people have invested a lot of time or effort in a given issue.

Consider the opposite – what would have to be true?

https://www.youtube.com/watch?v=mANVpjkA7y0 13:00
Roger Martin said the "What would have to be true?" question has become the most important ingredient of his strategy work. The search for disconfirming information might seem on the surface like a thoroughly negative process. We try to poke holes in our own arguments or the arguments of others. But Martin's question adds something constructive. What if our least favorite option were actually the best one? What data might convince us of that? Martin said, "If you think an idea is the wrong way to approach a problem, and someone asks you if you think it's the right way, you reply, 'No,' and defend that answer against all comers. But if someone asks you to figure out what would have to be true for that approach to work, your frame of thinking changes. This subtle shift gives people a way to back away from their beliefs and allow exploration by which they give themselves the opportunity to learn something new. This technique is particularly useful in organizations where dissent is unwelcome, where people who challenge the prevailing ideas are accused of failing to be 'team players'." Martin's question makes dissenters seem less like antagonists and more like problem solvers.

Another technique for dissenters is setting a trip wire. A trip wire specifies the circumstances when the team would reconsider a decision. So if you are skeptical of a decision but lack the power to change it, encourage your colleagues to set a trip wire. If X

happens, we'll take another look at this. This will be easy for them to accept, since most people are overconfident and will underestimate the chances of hitting the trip wire. Meanwhile, you've made it possible to reconsider the decision at a later date, without seeming like the person who said, "I told you so."

What makes Roger Martin's technique so effective, in short, is that it allows people to disagree without becoming disagreeable. It goes beyond merely exposing ourselves to disconfirming evidence. It forces us to imagine a set of conditions where we willingly change our minds without feeling that we lost the debate.