

Thinking about Thinking or How do people really make decisions?

People think they are logical but they are not. People rationalize their decisions, they do NOT use logic to arrive at an answer. A person decides what answer they think is “right” then hand-waves an explanation for that being the answer. This has been called “motivated reasoning”.

We suffer many forms of bias:

- **“Cognitive Bias”** i.e. the inability to make rationale choices unless we consciously over-ride our impulse to choose unwisely is a very broad term and beyond the scope of this post. Suffice to say, you bring a host of biases to any situation. Pretending you don’t is the only really big mistake.
- One kind of Cognitive Bias is **“Confirmation Bias”** i.e. only seeing “facts” that confirm what we want to believe. Global Warming / Climate Change would be an excellent case in point no matter which side of the issue you’re on
- Another Cognitive Bias is **“Loss Aversion”** and deals with how we attach far more importance to loss than to gain. This is why change management is so difficult. People will NOT give up something to get something better (or promised to be better) because the loss of one thing is so painful vs. the gain of another thing
- **Bottom line: If we KNOW we have these biases, we can build into our problem solving the detection of errors that come from these biases.**
- Douglas Adams, in his book Dirk Gently’s Holistic Detective Agency, describes the invention of the software program REASON which uses logic, facts and the answer you want to construct a rationale for that decision. In the story, the program’s author made a fortune.
- Try this experiment: Think of something expensive you either bought or want to buy and ask yourself: What was my rationale for this choice? If I were playing Devil’s Advocate, could I refute the logic of my choice? I bet you’d have no problem seeing through your own illogic!

So what do WE do to help you with this? We use disciplined problem-solving tools like Lean and Six Sigma to bring order and discipline to this work. We do this in a way that either removes the bias or flags it as such so we don’t get fooled. We will also teach your employees many of these tools so they can use them in the future.

An important aspect of “bias”: If we substitute the word “paradigm” for “bias” we are reminded that bias is a means of solving problems faster but it has to be used consciously else there is risk of poor outcomes.

For more fun reading on this, we would direct you to this article:

<http://www.bbc.com/news/science-environment-26258662>