

Insights from *Decisive* by Chip Heath and Dan Heath

“Sometimes we are given the advice to trust our guts when we make important decisions. Unfortunately, our guts are full of questionable advice.” – Chip & Dan Heath

When we trust our gut when making decisions, we encounter three decision pitfalls:

We will rarely consider more than two options.

In 1993, Ohio State University researcher Paul Nutt examined 168 decisions of big organizations. Nutt found that 69% of the decisions only had one alternative. These two options decisions led to an unfavorable result 52% of the time.

We will be blinded by short-term emotion.

Take a moment and look back on some of the worst decisions you’ve made. Any chance you sought short-term pleasure over your long-term interests?

We will have a false sense of certainty.

A study found that when Doctors feel “completely certain” about a diagnosis, they are wrong 40% of the time! In another study, when university students believed they had a 1% chance of being wrong, they turned out to be wrong 27% of the time.

To avoid these three pitfalls, we need to go to W.A.R. each time we need to make a significant decision.



Identify your options

Pretend you rubbed a magic lamp, and instead of the beloved Genie in Aladdin, you got his evil brother. This evil genie takes your current options away. Authors Chip Heath and Dan Heath call this the “**Vanishing Options Test**”.

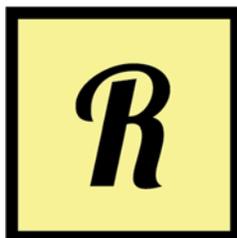
By running this test, you pretend there are no good options left on the table. Now you need to come up with a new set of options. When you take a moment to imagine a situation where both options you were considering are off the table, you will find other promising solutions.



Attain distance

In a 1999 study, students were asked to choose between two jobs: job A would pay well but not be very fulfilling, and job B would pay less but make them feel very fulfilled. 66% of students said they would take job B.

When the researchers asked the students to advise their best friend on their job choice, 83% recommended job B. Asking “What would I tell my best friend to do?” allowed the students to gain a clear perspective, attain distance from their short-term emotions, and make a wise long-term decision.



Reality-test

It’s not wise to buy a new vehicle without test driving it. Why do we make other big decisions before giving them a test drive? Authors Chip Heath and Dan Heath recommend that we reality-test every big decision we make.

If you’re deciding to move to a new city, don’t make the decision based on online reviews and recommendations from friends. Take a two-week vacation, rent an Airbnb in the city you want to move to, and pretend as though you are living there (do typical day-to-day activities).

If you’re buying a new vacuum, buy three. Test them out for two weeks, and then return the two you least like.

Only commit to a big decision after you’ve reality-tested your assumptions by running a small trial.

In the book, they use the acronym W.R.A.P., with the P standing for **prepare to be wrong**. Reality-testing partially prepares you to be wrong by testing your assumptions before you leap.

Here is a quick summary of the section ‘prepare to be wrong’: The future is uncertain, and we never know what the future will have in store. We must consider a plausible worst-case scenario, take out insurance, install a tripwire (an early warning system), or a pre-established exit point (like a stop loss on a stock purchase).