(A) (B) (C) (D)

How to Decide

Simple Tools for Making Better Choices

Annie Duke

Bestselling author of *Thinking in Bets*

HOW TO DECIDE

Simple Tools for Making Better Choices

ANNIE DUKE

Image on this page: still from CNN/HLN video "Man Taunts Charging Bison,"
https://www.cnn.com/videos/us/2018/08/03/man-taunts-bison-yellowstone-national-park-hln-vpx.hln.

To my father, Richard Lederer, who inspires me every day with his passion for teaching
and his love of the written word

Contents

Your Best Decision, and Your Worst

What was your best decision of the last year? Go with your gut, the first thing that comes to mind. Describe the decision below.

_____

_____

Now, what was your worst decision of the last year? Again, go with the first thing that comes to mind. Describe the decision below.

_____

_____

Did your best decision end up turning out well? (Circle one.)	*YES*	*NO*
Did your worst decision end up turning out poorly? (Circle one.)	*YES*	*NO*

If you're like most people, you answered yes to both of those questions—and your description of the decision was probably more a description of *the outcome of the decision* rather than the decision process itself.

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I'VE DONE THIS EXERCISE with hundreds of people and it always turns out like this. When I ask for their best decision, they tell me their

best outcome. When I ask for their worst decision, they tell me their worst outcome.

We'll come back to this exercise in a bit.

YOU MAKE THOUSANDS OF DECISIONS every day—some big, some small. Some clearly of great consequence, like what job to take. And some clearly of little consequence, like what to eat for breakfast.

No matter what type of decision you're facing, it's imperative to develop a decision process that not only improves your decision quality, but also helps sort your decisions so you can identify which ones are bigger and which ones are smaller.

Why is it so important to have a high-quality decision process?

Because there are only two things that determine how your life turns out: luck and the quality of your decisions. You have control over only one of those two things.

Luck, by definition, is out of your control. Where and when you were born, whether your boss comes into work in a bad mood, which admissions officer happens to see your college application—these are all things that are out of your hands.

> **The only thing you have control over that can influence the way your life turns out is the quality of your decisions.**

What you do have some control over, what you can improve, is the quality of your decisions. And when you make better-quality decisions, you increase the chances that good things will happen to you.

I believe this is a pretty noncontroversial thing to say: It's important to improve your decision process, because it's the one thing you have control over in determining the quality of your life.

Even though the importance of making quality decisions seems obvious, it's surprising how few people can actually articulate what a good decision process looks like.

This is something that I've been thinking about all my adult life. First, as a PhD student in cognitive science. Then, as a professional poker player, where I had to constantly make rapid, high-stakes decisions with real money on the line, in an environment where luck has an obvious and significant influence on your short-term results. And for the past eighteen years, as a business consultant on decision strategy, helping executives, teams, and employees make better decisions. (Not to mention as a parent, trying to raise four healthy and happy children.)

What I've experienced in all these different contexts is that people are generally quite poor at explaining how one might go about making a high-quality decision.

This difficulty isn't just confined to novice poker players or college students or entry-level employees. Even when I ask C-level executives—who are literally full-time decision-makers—what a high-quality decision process looks like, the answers I get are all over the map: "Ultimately, I trust my gut"; "Ideally, I follow the consensus of a committee"; "I weigh the alternatives by making a pros and cons list."

This is actually not that surprising. Outside of vague directives about encouraging critical-thinking skills, decision-making is not explicitly taught in K–12 education. If you want to *learn* about making great decisions, you're unlikely to run into a class on the subject until college or beyond, and even then only as an elective.

No wonder we don't have a common approach. We don't even have a common language for talking about decision-making.

The consequences of being unable to articulate what makes a decision good can be disastrous. After all, your decision-making is the single most important thing you have control over that will help you achieve your goals.

That is why I wrote this book.

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HOW TO DECIDE IS going to offer you a framework for thinking about how to improve your decisions as well as a set of tools for executing

on that framework.

So what makes for a good decision tool?

A tool is a device or implement used to carry out a particular function. A hammer is a tool used for driving nails. A screwdriver is a tool used for turning screws. There is an elegant simplicity to performing tasks if you have the right tool for the right job.

- A good tool has a use that can be reliably repeated. In other words, if you use the same tool in the same way, you would expect to get the same results.
- The proper way to use a tool can be taught to another person such that they could reliably use the same tool for the same purpose.
- After you've used a tool, you can look back and examine whether you used it properly or not, and so can others.

That means that some of the things that even CEOs use to make decisions turn out to be pretty poor tools.

Your gut—no matter how much experience or past success you've had—is not really a decision tool.

It's not that using your gut can't get you to a great decision. It could. But you can't know whether that is a case of a broken clock being right twice a day or whether your gut is a fine-tuned decision-maker, because your gut is a black box.

All you can see is the output of your gut. You can't go back and examine with any fidelity how your gut arrived at a decision. You can't peer into your gut to know how it's operating. Your gut is unique to you. You can't "teach" your gut to somebody else, such that they could use your gut to make decisions. You can't be sure that you are using your gut the same way each time.

That means your gut doesn't even qualify as a decision tool.

There are also some things, like a pros and cons list, that are technically tools but may not be the *right* tools. What you'll learn from this book is that a pros and cons list is not a particularly effective decision tool if you are trying to get closer to the *objectively* best decision. It's more like using a hammer meant to drive small nails and expecting it would work equally well for breaking asphalt.

For reasons that are going to become clear, a good decision tool seeks to reduce the role of cognitive bias (such as overconfidence, hindsight bias, or confirmation bias) and a pros and cons list tends to amplify the role of bias.

The ideal decision tool

Any decision is, in essence, a prediction about the future.

When you're making a decision, your objective is to choose the option that gains you the most ground in achieving your goals, taking into account how much you're willing to risk. (Or sometimes, if there aren't any good options, your objective is to choose the option that will cause you to lose the least amount of ground.)

It's rare that a decision can have only one possible result. For most decisions, there are lots of ways the future could unfold. If you're choosing a route to work, whichever route you choose has many possible outcomes: traffic could be light or heavy, you could blow a tire, you might get pulled over for speeding, and so on.

Because there are so many possible futures, making the best decision depends on your ability to accurately imagine what the world might look like if you were to choose any of the options you're considering.

That means the ideal decision tool would be a *crystal ball*.

With a crystal ball, you would have perfect knowledge of the world, perfect knowledge of all available options, and—because you could see the future—you would know for sure how any of those choices might turn out.

> **Determining whether a decision is good or bad means examining the quality of the beliefs informing the decision, the available options, and how the future might turn out given any choice you make.**

There are always fortune-tellers promising an easy way to see the future. But sadly, the only working crystal balls exist in fiction. Even then, like in *The Wizard of Oz*, they are illusions. Building a good decision process with a robust toolbox will help you get as close as

possible to what the fortune-teller is promising, but you're doing it for yourself in a way that's going to significantly change the potential for how your life turns out.

Of course, even the best decision process and the best tools won't show you the future with the clarity and certainty you'd get with a crystal ball. But that doesn't mean that improving your process isn't a goal worth pursuing.

If your decision process becomes better than it is now—*improving* the accuracy of your knowledge and beliefs, *improving* how you compare available options, and *improving* your ability to forecast the futures that might result from those options—that is worth pursuing.

The route to better decision-making: a brief road map of this book

Intuitively, it feels like one of the best ways to improve future decisions should be to learn from how your past decisions have turned out. That's where this book will start, with improving your ability to learn from experience.

In the first three chapters, you'll see some of the ways in which trying to learn from experience can go sideways and lead you to some pretty poor conclusions about how you determine whether a past decision was good or bad. In addition to pointing out the hazards of learning from experience, the book will introduce you to several tools for becoming more efficient at understanding what the past has to teach you.

Why did things turn out the way they did? Any outcome is determined in part by your choice and in part by luck. Figuring out the balance of luck and skill in how things turn out feeds back into your beliefs—beliefs that will inform your future decisions. Without a solid framework for examining your past decisions, the lessons you learn from your experience will be compromised.

Starting in chapter 4, the focus turns to new decisions, offering a framework for what a high-quality decision process looks like and a set of tools for implementing that process. This is where you'll see the virtues of building a crystal-ball equivalent, focusing decision quality on the strength of the educated guesses you make about an uncertain future, including numerous ways to improve the quality of

the beliefs and knowledge that are the foundation of your predictions and consequent decisions.

As you can imagine, a well-stocked, versatile toolkit that allows you to execute on a high-quality decision process can take a lot more time and effort than glancing into an imaginary piece of glass that gives you perfect knowledge of the future. Taking that extra time will have a profound and positive effect on your most consequential decisions.

But not all decisions merit bringing the full force of your decision toolkit to bear.

If you're putting together a dresser that comes with a set of screws, you could be tempted to use a hammer to save time if you don't have a screwdriver handy. Sometimes, a hammer will do an okay job and it will be worth the time you save. But other times, you could break the dresser or build a shoddy health hazard.

The problem is that we're just not good at recognizing when sacrificing that quality *isn't* that big a deal. Knowing when the hammer is good enough is a metaskill worth developing.

Chapter 7 introduces you to a set of mental models that will help you think about when to bring a robust decision-making process to bear, and when you have the leeway to apply a skinnier, stripped-down process to speed things up. That doesn't come until later in the book because it's necessary to have a firm grasp on what a fully formed decision process might look like before you can figure out when and how you might take shortcuts.

Knowing when it's okay to save time is part of a good decision process.

The final chapters of the book offer ways to more efficiently identify obstacles that might lie in your path and tools for better leveraging the knowledge and information that other people have. This includes eliciting feedback from others and avoiding the pitfalls of team decision-making, especially groupthink.

How to use this book

You'll see that throughout the book there are exercises, thought experiments, and templates that you can use to reinforce the mental models, frameworks, and decision tools offered in these pages.

You'll get the most out of this book if you grab a pencil and try them out. But the exercises aren't required. You'll still get a lot out of the book if you don't fully interact with all the prompts. Either way, the exercises, tools, definitions, tables, trackers, worksheets, wrap-ups, and checklists are meant to help you as ongoing references. They're meant to be photocopied, reused, shared, and reexamined.

Likewise, you'll get the most out of this book if you read it in the order in which the material is presented. Many ideas build on the ideas that came before them.

Nevertheless, the chapters are sufficiently self-contained that you can parachute into any chapter you find interesting if you want to start there.

"On the shoulders of giants"

This book is a synthesis, translation, and practical application of the ideas of a lot of great thinkers and scientists in psychology, economics, and other disciplines who have devoted their lives to studying decision-making and behavior. Whatever contribution this book makes to improving decision-making, to paraphrase Newton and others, depends on how much I've benefited by standing on the shoulders of giants.

You'll see, scattered throughout the text, chapter notes, and acknowledgments, references to the work of particular scientists and professionals in this space. If a concept interests you, in addition to such sources, you should look at the General References and Suggested Further Reading section for ways to take a deeper dive into subjects I've handled in a lighter way.

1

Resulting

OUTCOMES IN THE REARVIEW MIRROR MAY APPEAR LARGER THAN THEY ARE

All of the exercises in this book are designed to help you gain insight into the way you process information. For you to get the most out of them, it's important that you go with your first instinct when answering rather than trying to figure out the "right" answer. There are no right or wrong answers—just insight into how you think.

[1]

Job Hopping

1   Imagine you quit your job to take a position at a new company.

The job turns out great! You love your coworkers, feel fulfilled in your position, and within a year you get a promotion.

Was it a good decision to quit your job and take the new position? (Circle one.)   *YES*   *NO*

2   Imagine you quit your job to take a position at a new company.

The new job turns out to be a disaster. You are miserable at the company and within a year you have been laid off.

Was it a good decision to quit your job and take the new position? (Circle one.)   *YES*   *NO*

I'M GUESSING YOUR GUT told you that in the first case the decision to quit your job was good and in the second case the decision was bad. Doesn't it feel like if the job works out great it must have been a great decision to quit your old job? And if it doesn't work out, it must have been a bad decision?

The thing is, in neither case did I give you any meaningful information about the process used to arrive at the decision. I gave you only two pieces of information: (1) a bare-bones (and identical) description of what went into the decision and (2) how the decision turned out.

Even though you don't have any detail about the decision process, when I tell you how things turned out, it feels like you *really know* something about whether the decision was good or bad.

And this feeling that the *result* of the decision tells you something significant about the *quality* of the decision process is so powerful that even when the description of the decision is *identical* (you quit your job and take a new position), your view of that decision changes as the quality of the result changes.

You can spot this phenomenon across all sorts of domains.

You buy a stock. It quadruples in price. It feels like a great decision. You buy a stock. It goes to zero. It feels like a terrible decision.

You spend six months trying to land a new client/customer. They become your biggest account. It feels like a great use of your time and a great decision. You spend that same six months trying to land the client and you never close the deal. It feels like a waste of time and a terrible decision.

You buy a house. When you sell in five years you get 50% more than you paid for it. Great decision! You buy a house. When you sell in five years the house is underwater. Terrible decision!

You start doing CrossFit and after the first two months you have lost weight and gained muscle mass. Great decision! But if you

dislocate your shoulder within the first two days, it feels like a terrible decision.

In every domain, the outcome tail is wagging the decision dog.

There's a name for this: ***Resulting***.

When people *result*, they look at whether the result was good or bad to figure out if the decision was good or bad. (Psychologists call this "outcome bias," but I prefer the more intuitive term "resulting.") We take this resulting shortcut because we can't clearly "see" whether the decision was good or bad, especially after the fact, but we can clearly see if the outcome was good or bad.

Resulting is a way to simplify complex assessments of decision quality.

The problem? *Simple isn't always better.*

Decision quality and outcome quality are, of course, correlated. But not perfectly, at least not in most decisions we make, and certainly not when we have only one try at the decision. The relationship between the two can take a long time to play out.

RESULTING

A mental shortcut in which we use the quality of an outcome to figure out the quality of a decision.

In a single instance (I quit my job and it turned out horribly), it's hard to say if a bad outcome (or a good one) was *because* of the quality of the decision. Sometimes we make good decisions and they turn out well. Sometimes we make good decisions and they turn out poorly.

You can run a red light and get through the intersection unscathed. You can go through a green light and get in an accident. This means that working backward from the quality of a single outcome to figure out whether a decision was good or bad is going to lead to some poor conclusions.

Resulting can make you think that running red lights is a good idea.

A necessary part of becoming a better decision-maker is learning from experience. Experience contains the lessons for improving

future decisions. Resulting causes you to learn the wrong lessons.

[2]

The Shadow of Resulting

To be fair, in the first exercise, I didn't give you enough information to figure out whether the decision was good or bad on its merits. Maybe your mind just fills in the blanks when there isn't much to go on, like what happens with some visual illusions. That is not to say that resulting leads you to good conclusions under those circumstances. We would all learn better if we didn't autofill those blanks because we happen to know the outcome. But maybe resulting is confined to situations when you don't have much information about the decision.

Does our tendency to result disappear when we aren't operating in an information void?

Let's do another example in which we fill in some of those blanks to find out.

1   You buy an electric car and you love it. It's an awesome car, manufactured by a tech genius widely hailed as a visionary. Based on your experience with the car, you buy stock in the company.

After two years, the company's stock soars and your investment has increased in value twentyfold.

Rate how you feel about the quality of the decision to invest, on a scale of 0 to 5, where 0 is a terrible decision and 5 is a great decision:

Terrible Decision   *0*   *1*   *2*   *3*   *4*   *5*   *Great Decision*

Write down the reasons for your rating.

_____

_____

_____

2 You buy an electric car and you love it. It's an awesome car, manufactured by a tech genius widely hailed as a visionary. Based on your experience with the car, you buy stock in the company.

After two years, the company is out of business and you have lost your investment.

Rate how you feel about the quality of the decision to invest, on a scale of 0 to 5, where 0 is a terrible decision and 5 is a great decision:

Terrible Decision *0*   *1*   *2*   *3*   *4*   *5*   *Great Decision*

Write down the reasons for your rating.

_____

_____

_____

IF YOU'RE LIKE MOST PEOPLE, you interpreted the details about why you bought the stock in a different light depending on whether the outcome was good or bad.

For the good outcome, you most likely interpreted the details of the decision to invest in a more positive light: You had personal experience with the product and that should count for a lot. After all, if you love the car it's likely other people will. Plus, the tech genius is known to be successful, so if he is running the company it is likely to be a good investment.

But when the company turns out to be a dud, the poor outcome can make you see those same details in a different light. Now it is more likely that your reasoning includes how picking a stock based on your personal experience isn't a substitute for real due diligence. Are they making a profit? Can they? What's their debt burden? Will they have access to capital until they achieve profitability? Can they keep up with demand and increase their manufacturing capacity? Maybe you were such a happy consumer because they were losing buckets of money on every sale.

This is, of course, not limited to investment decisions.

You quit your job to join a promising start-up because it offers you equity. It ends up as the next Google. Great decision! You quit your job to join a promising start-up because it offers you equity. It fails

after a year. You end up out of work for six months and you run through your savings. Terrible decision!

You pick a college because you want to go to the same school as your high school sweetheart. You graduate with honors, marry your high school sweetheart, and land an amazing job. Picking that school feels like a great decision.

You pick a college because you want to go to the same school as your high school sweetheart. Within six months you have broken up. You decide to change majors and the school does not have a good program in your new major. You hate the town the school is in. And by the end of the first year you have transferred. Picking that school feels like a terrible decision.

In all of these cases, the quality of the result filters how we view the decision, *even when we have identical details about the decision process*, because the quality of the outcome drives how we interpret those details.

This is the power of resulting.

WHEN THE OUTCOME TURNS out poorly, it's easy to focus on the details that suggest the decision process was poor. We think we are seeing the decision quality rationally because *the bad process is obvious*.

But once the outcome is flipped, we discount or reinterpret the information about the decision quality because the outcome drives us to write a story that fits the ending.

The quality of the outcome casts a shadow over our ability to see the quality of the decision.

OUTCOME

We want outcome quality to align with decision quality. We want the world to make sense in this way, to be less random than it is. In trying to get this alignment, we lose sight of the fact that for most decisions, there are lots of ways things could turn out.

> **There are more possible futures than the one that actually happens.**

Experience is supposed to be our best teacher, but sometimes we draw a connection between outcome quality and decision quality that is too tight. Doing so distorts our ability to use those experiences to figure out which decisions were good and which were bad.

Resulting makes our crystal ball cloudy.

Now that you know what resulting is, think about a time in your life when you resulted. Use the space below to describe the situation.

_____

_____

_____

• • •

IF YOU WANT SOME EXAMPLES, go back to the very first questions I asked you: What were your best and worst decisions of the last year? The point of having you write those down is that most people don't actually think much about their best and worst *decisions*. They usually start by thinking of their best and worst *outcomes* and work backward from there.

That's due to resulting.

[3]

Luckbox

For any single decision, there are different ways the future could unfold—some better, some worse. When you make a decision, the decision makes certain paths possible (even if you don't know where they lead) and others impossible. The decision you make determines *which set of outcomes are possible and how likely each of those outcomes is*. But it doesn't determine which of that set of outcomes will actually happen.

> **Luck exerts its influence between your decision and which of the possible paths you end up on. It is the element you have no control over that determines which of the possible outcomes you actually observe in the short run.**

Being a better decision-maker means being a better predictor of the set of possible futures. This book is designed to sharpen your skills, getting you closer to having a crystal ball. But, as fortune-tellers correctly warn us, "The future appears hazy," because the way the future will eventually unfold is always uncertain.

In other words, there's an important factor that influences the way our lives turn out: luck.

Luck is what intervenes between your decision (which has a range of possible outcomes) and the outcome that you actually get.
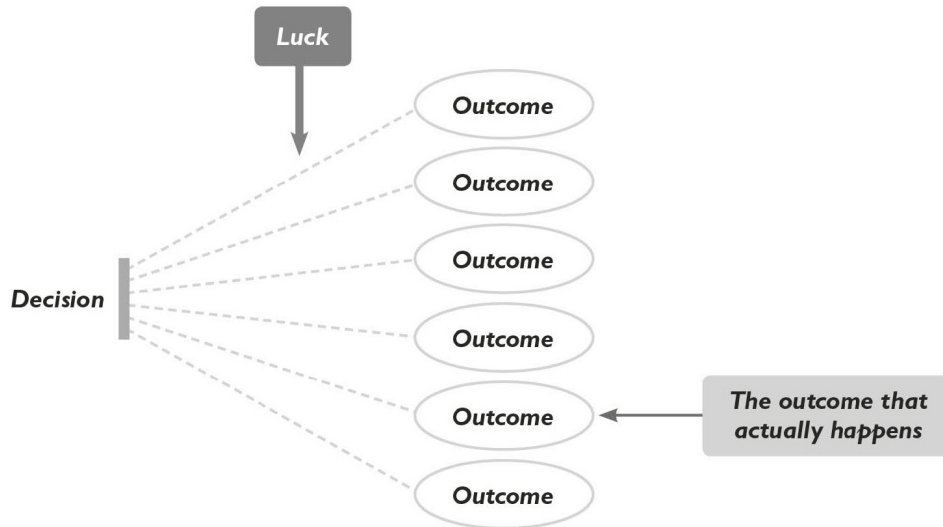
Because any decision determines only the set of possible outcomes (some good, some bad, some in between), this means good outcomes can result from both good and bad decisions, and bad outcomes can result from both good and bad decisions.

We can think about the relationship between decision quality and outcome quality like this:

- An *Earned Reward* comes when you make a good-quality decision that results in a good outcome, like when you proceed through a green light and get through the intersection safely.

- *Dumb Luck* comes when you make a poor-quality decision that turns out well. You can be waiting at a traffic light and fail to notice the light has turned green because you are deeply entranced by the world's most important tweet. If, while you are sitting there failing to proceed through the intersection, you happen to avoid getting in an accident with a car whose driver ignores the red light in their direction and barrels through the intersection, that doesn't make looking at Twitter while driving a good decision. That's just Dumb Luck.
- *Bad Luck* comes when you make a good-quality decision that turns out poorly. You can proceed through a green light and get in an accident with someone turning into traffic. That's a bad outcome, but it wasn't because your decision to follow the traffic laws was poor.
- *Just Deserts* means making a poor-quality decision that results in a bad outcome, like running a red light and getting in an accident.

Obviously, there are plenty of examples of all four of these categories in everyone's decision-making history. Sometimes your great decisions turn out great; other times bad luck gets in the way. Sometimes your bad decisions turn out horribly; other times you get lucky.

But resulting can cause you to lose sight of the role of luck in how things turn out.

Once we know what the outcome is, we often treat things as if there were only Earned Rewards or Just Deserts. Bad Luck and Dumb Luck recede into the shadows.

Outcome Quality

	Good	Bad
Good	EARNED REWARD	BAD LUCK
Bad	DUMB LUCK	JUST DESERTS

Decision Quality

When it comes to learning from experience, those shadows can cause you to learn a lot of bad lessons.

When you make a decision that has only a 10% chance of a bad outcome, you will, by definition, get a bad outcome 10% of the time. And thanks to resulting, that 10% of the time you are in danger of thinking the decision was bad after the fact, even though it had a 90% chance of working out. It was a good decision, but your experience will have taught you not to make decisions like that again in the future.

This is the cost of resulting.

Now let's get you out from under the shadow of resulting by filling in *all* the cells in the matrix with examples from your own life.

First, think of a time in your life when things worked out well and you think your decision-making was also good. Briefly describe the situation in the Earned Reward cell below.

Next, think of a time in your life when things worked out poorly and you think your decision-making was good. Briefly describe the situation in the Bad Luck cell below.

Next, think of a time in your life when things worked out well and you think your decision-making was pretty poor. Briefly describe the situation in the Dumb Luck cell below.

Finally, think of a time in your life when things worked out pretty poorly and you think your decision-making was also pretty poor. Briefly describe the situation in the Just Deserts cell below.

Outcome Quality

	Good	Bad
Good	**EARNED REWARD**	**BAD LUCK**
Bad	**DUMB LUCK**	**JUST DESERTS**

Decision Quality

[4]

When Bad Things Happen to Good Decisions (and Vice Versa!):
Pulling apart outcome quality and decision quality

Now let's dig into the pair of decisions you identified in which the quality of the decision did not align with the quality of the eventual outcome, Bad Luck and Dumb Luck.

1 What did you identify as your Bad Luck outcome?

_____

Describe some of the reasons you think your decision-making was good despite the bad outcome. Those reasons can include, for example, the probability of that bad outcome (or any set of the outcomes that were undesirable) occurring, the information that went into making the decision, or the quality of the advice you sought.

_____

_____

_____

List at least three reasons why you got the bad outcome despite your decision-making being good. That is, what were some of the things outside your control or things you didn't anticipate in your original decision process?

_____

_____

_____

What are at least three other ways things might have turned out given the decisions you made?

_____

_____

_____

2 What did you identify as your Dumb Luck outcome?

_____

Describe some of the reasons you think your decision-making was poor despite the good outcome.

_____

_____

_____

List at least three reasons why you got the good outcome despite your decision-making being poor. That is, what were some of the things outside of your control or things you didn't anticipate in your original decision process?

_____

_____

_____

What are at least three other ways things might have turned out given the decisions you made?

_____

_____

_____

3 Which was easier to think of an example of, Bad Luck or Dumb Luck? (Circle one.)

Bad Luck

Dumb Luck

Why do you think one was more difficult than the other?

_____

_____

IF YOU'RE LIKE MOST PEOPLE, it's easier to blame bad luck for a bad outcome than it is to credit good luck for a good outcome.

When bad things happen, it's comforting that it might not be your fault. Luck lets you off the hook, allowing you to still feel good about your decision-making despite an undesirable result. It gives you an

out that helps your self-esteem along, letting you view yourself in a positive light despite things not working out.

On the other hand, taking credit for good outcomes feels good. If you allow for the role of luck in creating your positive result, you forgo the awesome feeling you get from feeling smart and in control. When it comes to good outcomes, luck gets in the way of your self-narrative.

In order to become a better decision-maker, it's imperative to actively explore all four of the ways that decision quality and outcome quality relate to each other.

> **Left to our own devices, we will notice some of the bad luck but overlook most of the dumb luck.**

It's not easy to be willing to give up the credit that comes from feeling like you made good things happen, but it is worth it in the long run. Small changes in how much you notice the luck that you would otherwise overlook will have a big influence on the way your life turns out. Those small changes act like compounding interest that pays big dividends on your future decision-making.

Experience can teach you a lot about how to improve your decision-making, but only if you listen well. Developing the discipline to separate the quality of the result from the quality of the decision can help you to figure out which decisions are worth repeating and which aren't.

[5]

Resulting's Other Impact on Learning: Don't wait for decision errors to find learning opportunities

When you overfit decision quality to outcome quality, you risk repeating decision errors that, thanks to luck, preceded a good outcome. You may also *avoid* repeating *good* decisions that, because of luck, didn't work out.

Resulting has the biggest effect on learning when outcome and decision quality are misaligned.

Less obviously, but no less importantly, there are lessons to be learned from Earned Rewards that are easily overlooked.

1 Go back to the table you filled out earlier in this section. What did you identify as your Earned Rewards outcome?

_____

Describe some of the reasons you think your decision-making was good. Those reasons might include your assessment of the probability of that bad outcome occurring (or any set of the outcomes that were undesirable), the information that went into making the decision, or the quality of the advice you sought.

_____

_____

Now take some time to think about **what could have been better** about the decision. Some questions to consider:

Could you have gotten more or better information before deciding?	*YES*	*NO*
Could you have decided more quickly?	*YES*	*NO*