

# 5 Things that Influence Decision Making?

## Cheat Sheet

**INTUITION** – Your Gut

**LOGIC** – Facts and Figures

**REASONING** – Emotional Aspects Ignored

**MEMORY** – Influence of Past Experiences

**COGNITIVE BIAS** – Mental Short Cuts

## 4 Cognitive Biases:

### TOO MUCH INFORMATION

(*"The Curse of Too Much Knowledge"*)

- We filter out most information
- We are likely to notice things that we already relate to, are in memory, or repeated
- We observe and are drawn to details that confirm existing beliefs
- The more success we have with previous knowledge, the harder it is to apply new knowledge, this keeps us in our "comfort zone" and avoid risks

### NOT ENOUGH MEANING

- We connect the dots with what we already know
- We simplify probabilities and numbers to make them easier to think about
- We think we know what others are thinking
- We project current mindset and assumptions into past and future
- We fill in characteristics from stereotypes, generalities and prior history

### NEED TO ACT FAST

- We quickly apply info and try to predict what will happen next
- We are confident that our actions will have impact and are important
- We strive to maintain status quo
- We favor simple options over complex or ambiguous ones

### WHAT WE SHOULD REMEMBER

- We store memories based on how they were experienced
- We edit and reinforce memories after the fact
- We reduce events or lists into key elements
- We make bets and trade-offs on what to forget
- We prefer generalizations over specifics



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