

Good Decision Making

DM & Good Judgement

DECISION MAKING



```
graph TD; A[DECISION MAKING] --- B[alternatives]; A --- C[uncertainty]; A --- D[high-risk consequences]; A --- E[interpersonal issues]; A --- F[complexity]
```

alternatives

uncertainty

high-risk
consequences

interpersonal
issues

complexity

Types of Decisions

- What would be your approach to the 3 types of decisions?

- How would you go about making a

- Routine decision?
- Adaptive decision?
- Innovative decision?

Who would you involve?
Would you delegate the decision making?
Would you pass it on to your boss?
Would you consult a colleague or an outside expert?
Would you ask your team members for their input?
What process would you use?
Would you insist on what you believe is the best decision or discard yours in favour of what the team decides?

Three Decision-Making Philosophies

1 DECISION ANALYSIS	POINT OF VIEW Decisions should be made systematically, even in the face of uncertainty. Decision trees provide a framework, and Bayesian statistics provide rules for revising probability assessments.	STRENGTHS Consistent, rational, teachable	WEAKNESSES Doesn't always account for limits of time, data, and human cognitive abilities	WHEN TO USE IT To make big decisions with long investment horizons and reliable data—in oil and gas and pharma; whether to go to grad school. Also in negotiations and group decisions
2 HEURISTICS AND BIASES	When people make decisions under uncertain conditions, they rely on rules of thumb, or heuristics, that sometimes yield reasonable judgments but sometimes cause big errors.	Based on observed human behavior	Not always clear how to apply to actual decision making	To design better institutions, warn ourselves away from dumb mistakes, and better understand the priorities of others
3 GOING WITH YOUR GUT	The heuristics that people use to make decisions are often very effective.	Simple, without extraneous information	Can be hard to know in advance whether a heuristic will work	In predictable situations with opportunities for learning—firefighting, flying, sports. Also in highly uncertain situations where you can't necessarily rely on data

Judgment

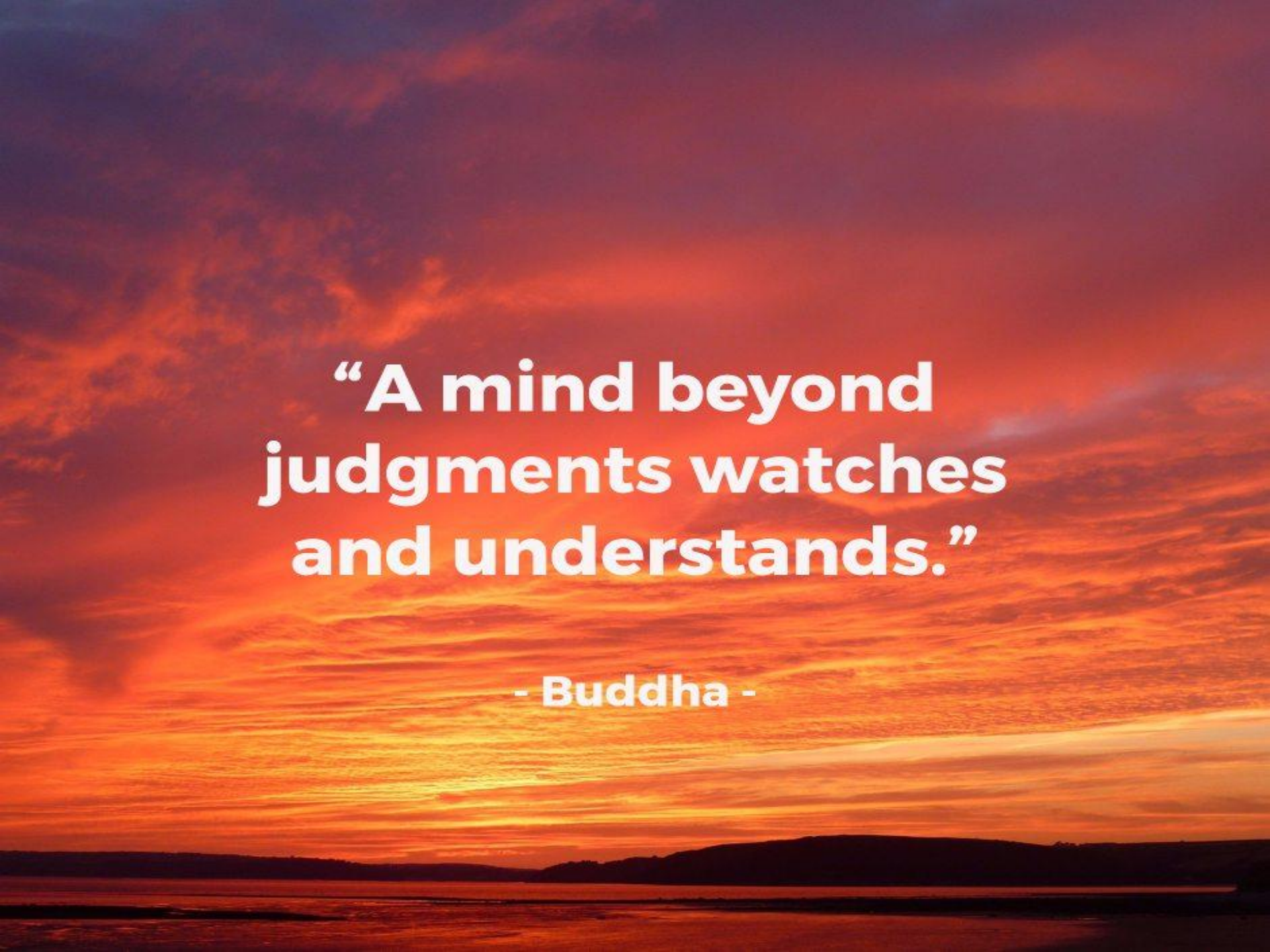


- Judgment refers to the person's capacity to make good decisions and act on them.
- The level of judgment may or may not correlate to the level of insight.
- A patient may have no insight into their illness but have good judgment.
- It has been traditional to use hypothetical examples to test judgment.
- For example, "What would you do if you found a stamped envelope on the sidewalk?" It is better to use real situations from the patient's own experience to test judgment.

Judgment Gets Better with Age

- By age 18, the adolescent's judgement for structured challenges is roughly equal to that of adults.
- But judgement that involves resisting impulses or delaying gratification is still under construction during late adolescence and early adulthood.

Famous Quotes



**“A mind beyond
judgments watches
and understands.”**

- Buddha -

“ ”

DO NOT LET
YOUR GREED
GET THE
BETTER
OF YOUR
JUDGEMENT

SUN TZU

Plato said that of all things in the world we should beware of that folly by which most men please themselves and despise a better judgment.

Jeremy Taylor

PICTUREQUOTES.COM

In respect to foresight and firmness, the people are more prudent, more stable, and have better judgement than princes.

Niccolò Machiavelli

“It's not given to people to judge what's right or wrong. People have eternally been mistaken and will be mistaken, and in nothing more than in what they consider right and wrong.”

— Leo Tolstoy, War and Peace

I don't like
that man.
I must get to
know him
better.



Abraham Lincoln

Intuition

Intuition literally means learning from within.

Most of us were not taught how to use this sense, but all of us know that "gut" feeling. Learn to trust your inner feeling and it will become stronger. Avoid going against your better judgement or getting talked into things that just don't feel right.

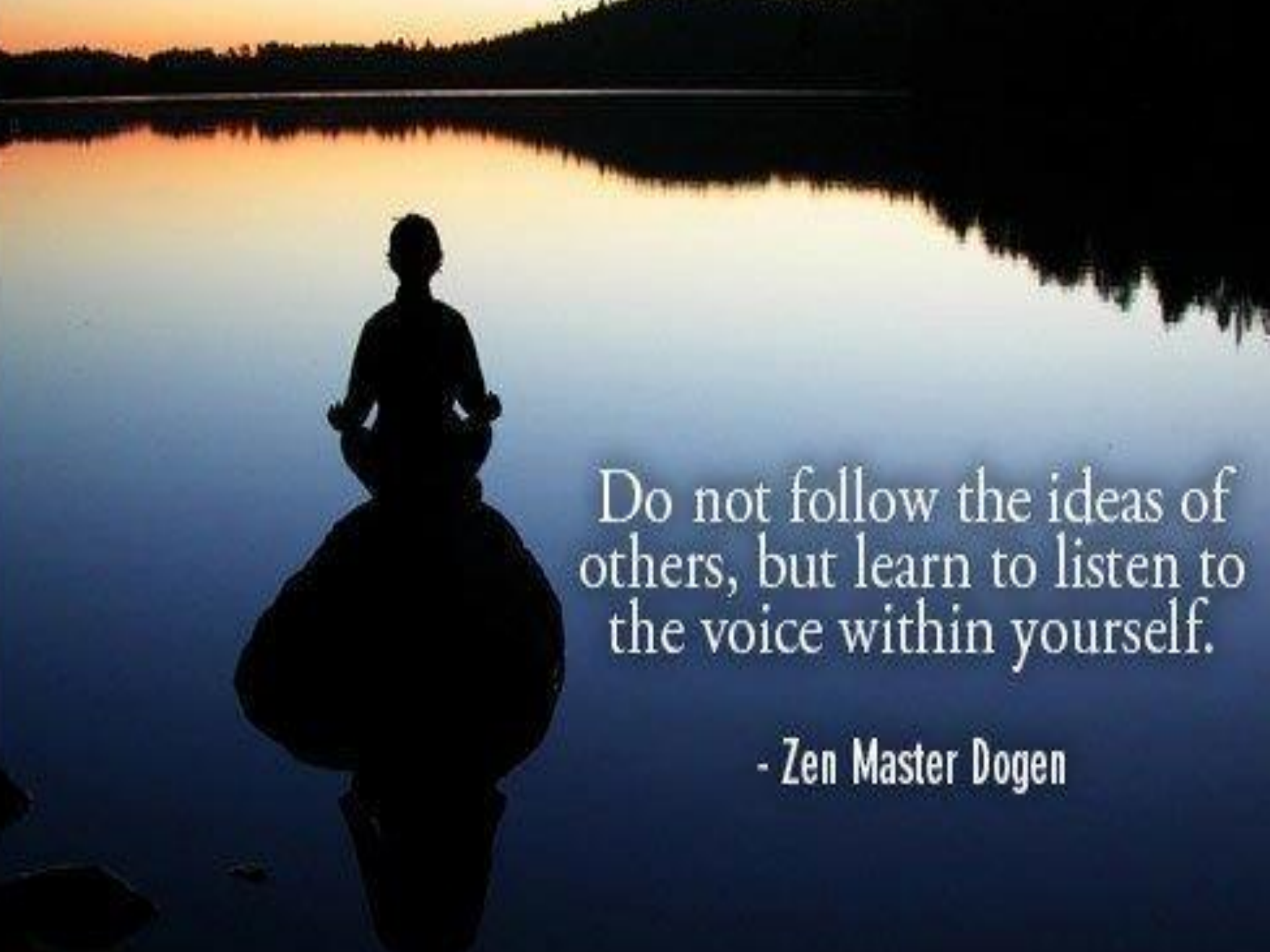


~Doe Zantamata

Some ...Advices...

Learn to nurture and trust your instincts as well as your conscious reasoning. Often, one's instincts will offer the better judgment.

Ken Danby

A silhouette of a person sitting in a meditative lotus position on a calm body of water. The person's reflection is clearly visible in the still water. In the background, a dark treeline is silhouetted against a bright, glowing sunset or sunrise sky, which is reflected in the water. The overall mood is peaceful and contemplative.

Do not follow the ideas of
others, but learn to listen to
the voice within yourself.

- Zen Master Dogen

Who are you
to **judge** the life I live
I know I'm not **perfect**
and I don't **live** to be.
but before you start
pointing fingers
make sure
your hands are **clean.**
Bob Marley

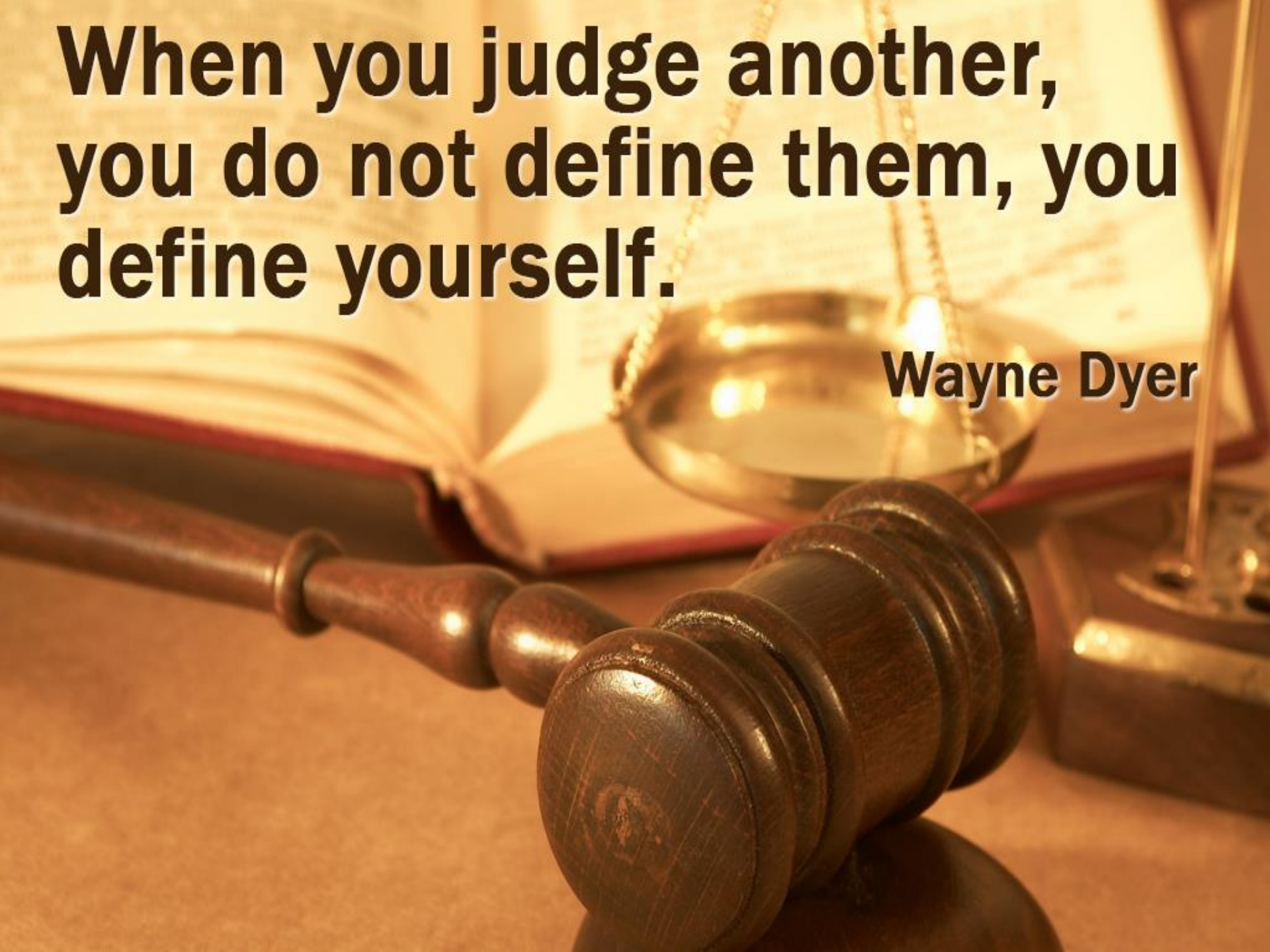
Positiv

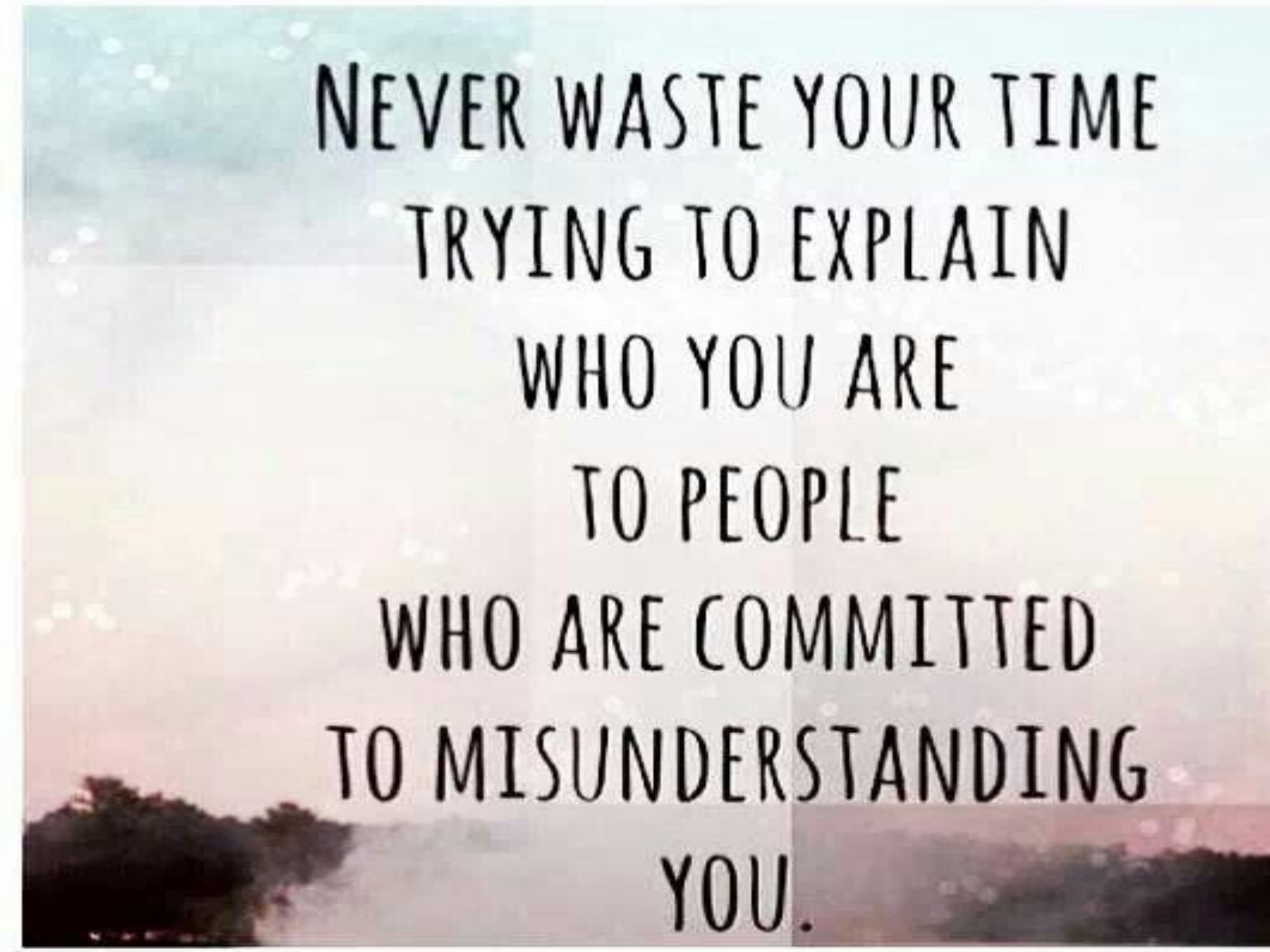
**DON'T JUDGE
MY CHOICES IF YOU
DON'T UNDERSTAND
MY REASONS.**

quoteslife101.net

**When you judge another,
you do not define them, you
define yourself.**

Wayne Dyer





NEVER WASTE YOUR TIME
TRYING TO EXPLAIN
WHO YOU ARE
TO PEOPLE
WHO ARE COMMITTED
TO MISUNDERSTANDING
YOU.

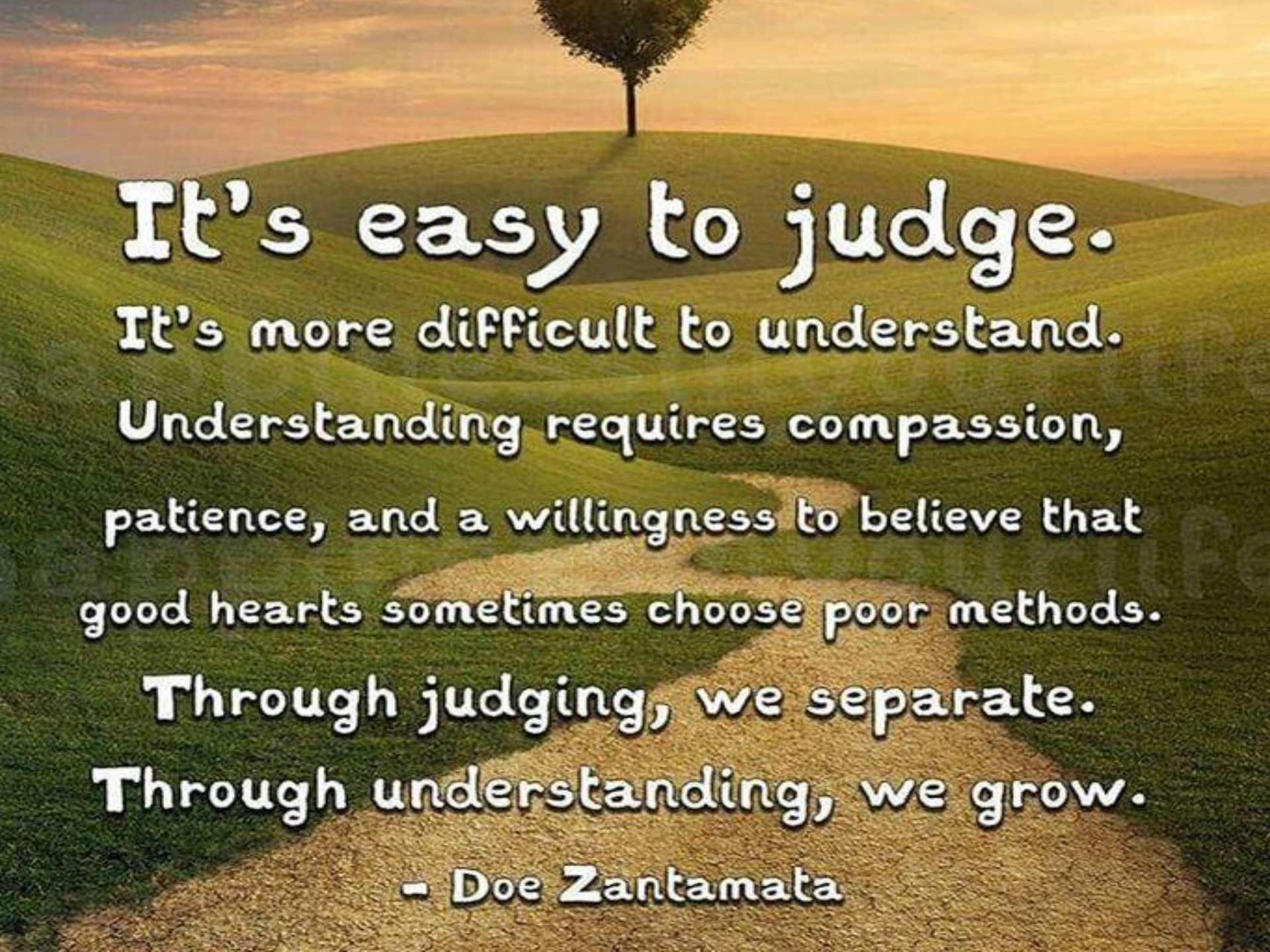
**DON'T JUDGE MY PATH
IF YOU HAVEN'T
WALKED MY JOURNEY.**

BEFORE YOU JUDGE

ME

MAKE SURE YOU'RE

PERFECT



It's easy to judge.

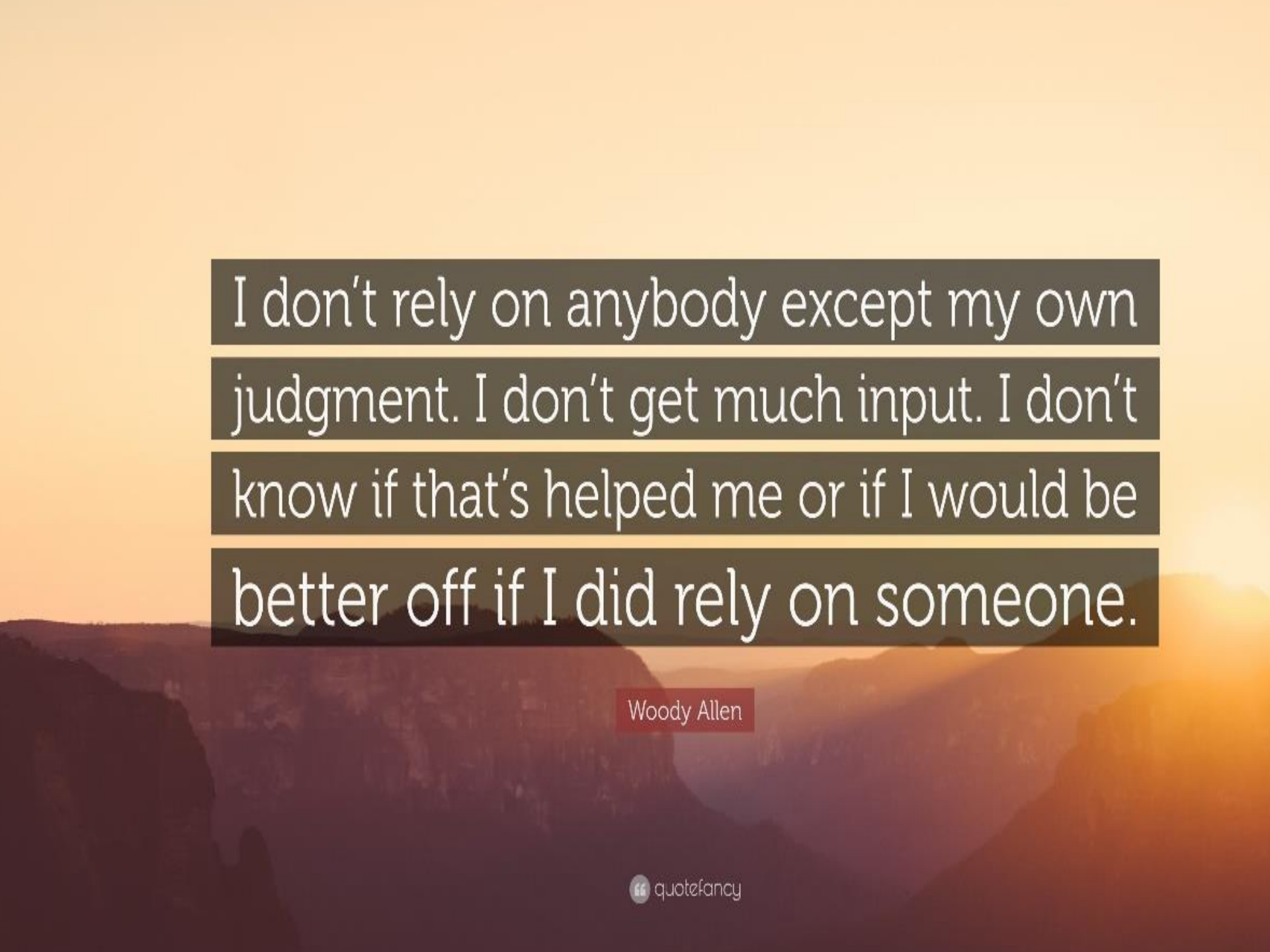
It's more difficult to understand.

**Understanding requires compassion,
patience, and a willingness to believe that
good hearts sometimes choose poor methods.**

Through judging, we separate.

Through understanding, we grow.

- Doe Zantamata



I don't rely on anybody except my own judgment. I don't get much input. I don't know if that's helped me or if I would be better off if I did rely on someone.

Woody Allen

Obviously, a man's judgement cannot be better than the information on which he has based it. Give him the truth and he may still go wrong when he has the chance to be right, but give him no news or present him only with distorted and incomplete data, with ignorant, sloppy or biased reporting, with propaganda and deliberate falsehoods, and you destroy his whole reasoning processes, and make him something less than a man.

Arthur Hays Sulzberger

Good judgment is what
you get from
experience, which is
what you have
immediately after
using poor judgement.

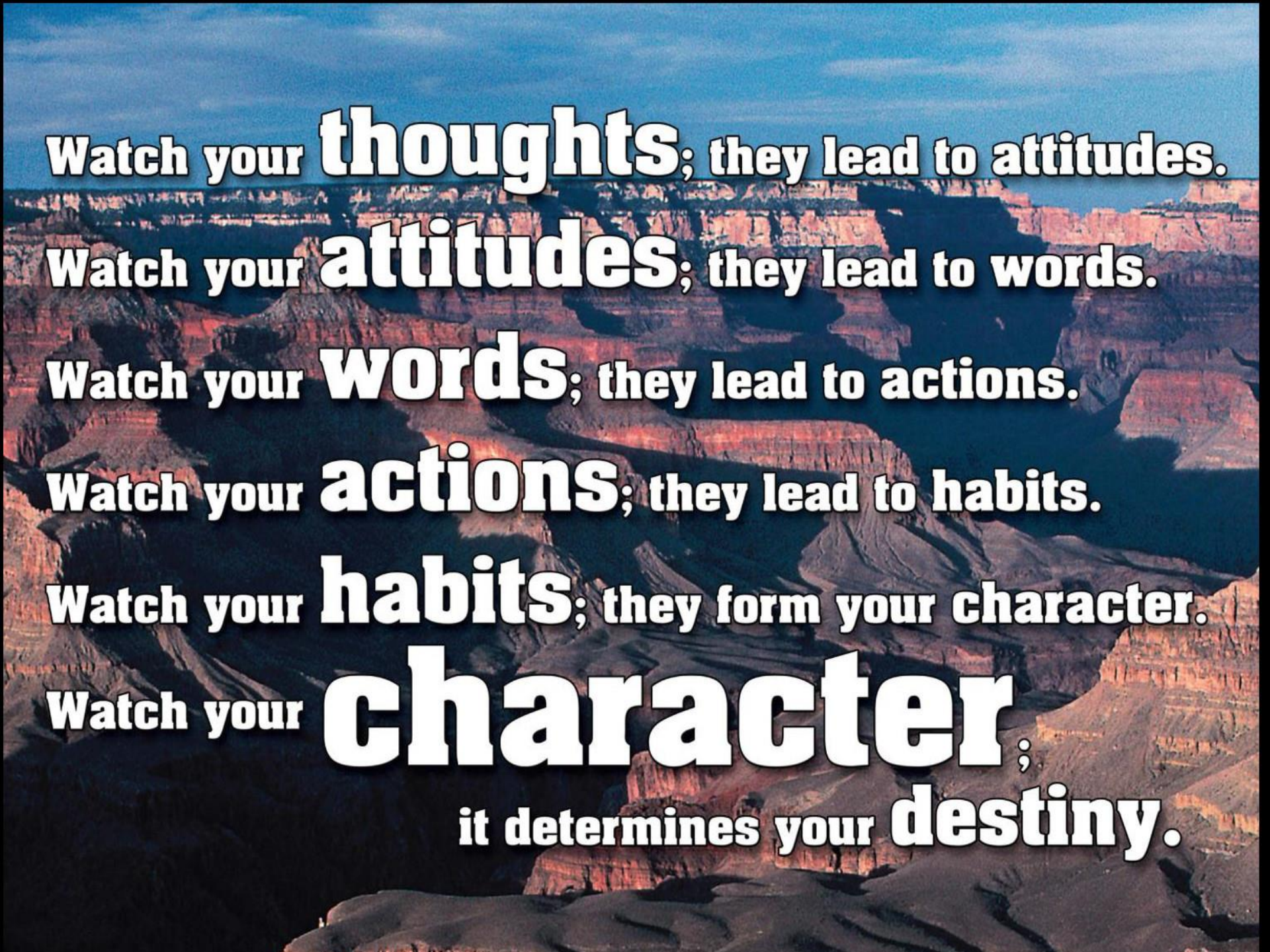
Jim Horning

PICTUREQUOTES.COM

You can speak with
spiritual eloquence, pray
in public, and maintain
a holy appearance...
but it is your behavior
that will reveal your
true character.

- Steve Maraboli

www.stevemaraboli.com

A wide-angle photograph of the Grand Canyon, showing its vast, layered rock formations and deep valleys under a clear blue sky. The text is overlaid on the image in a bold, white, sans-serif font with a black outline.

Watch your **thoughts**; they lead to attitudes.

Watch your **attitudes**; they lead to words.

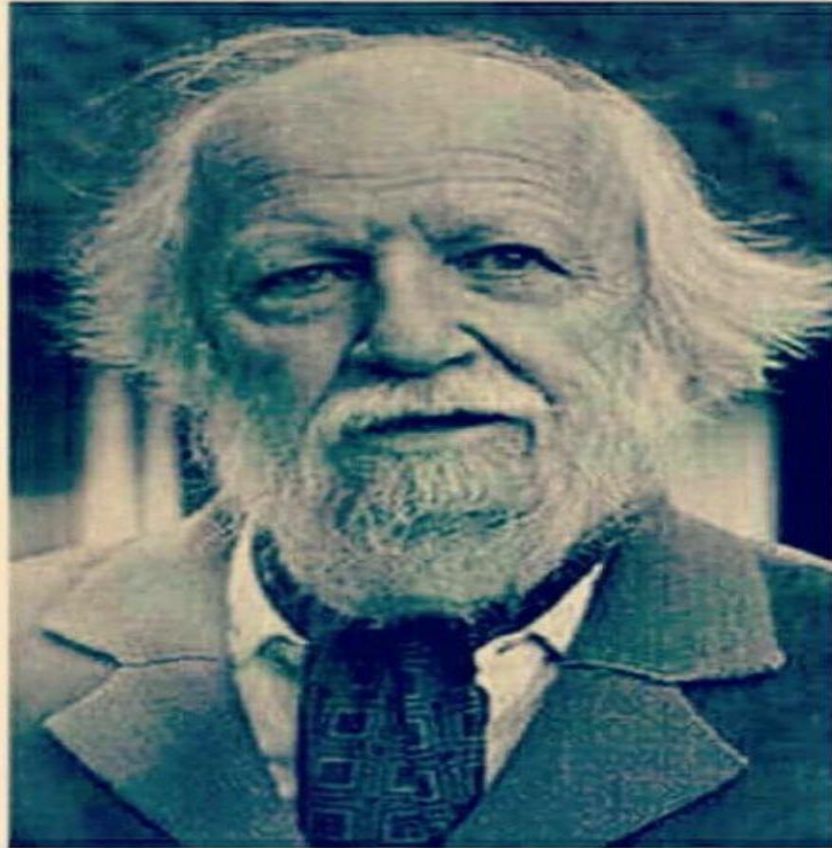
Watch your **words**; they lead to actions.

Watch your **actions**; they lead to habits.

Watch your **habits**; they form your character.

Watch your **character**;
it determines your **destiny**.

Now here's a man who understands women.....



William Golding
British Novelist, Playwright & Poet
1911 --1993

I think women are foolish to pretend they are equal to men. They are far superior and always have been. Whatever you give a woman, she will make greater. If you give her sperm, she will give you a baby. If you give her a house, she will give you a home. If you give her groceries, she will give you a meal. If you give her a smile, she will give you her heart. She multiplies and enlarges what is given to her. So, if you give her any crap, be ready to receive a ton of shit!

True!

Judgement ... and

**JUDGMENT COMES
FROM EXPERIENCE
AND GREAT
JUDGMENT COMES
FROM BAD
EXPERIENCE.**

**IMAGINATION IS
VITAL TO
PRECAUTIONARY
JUDGEMENT**

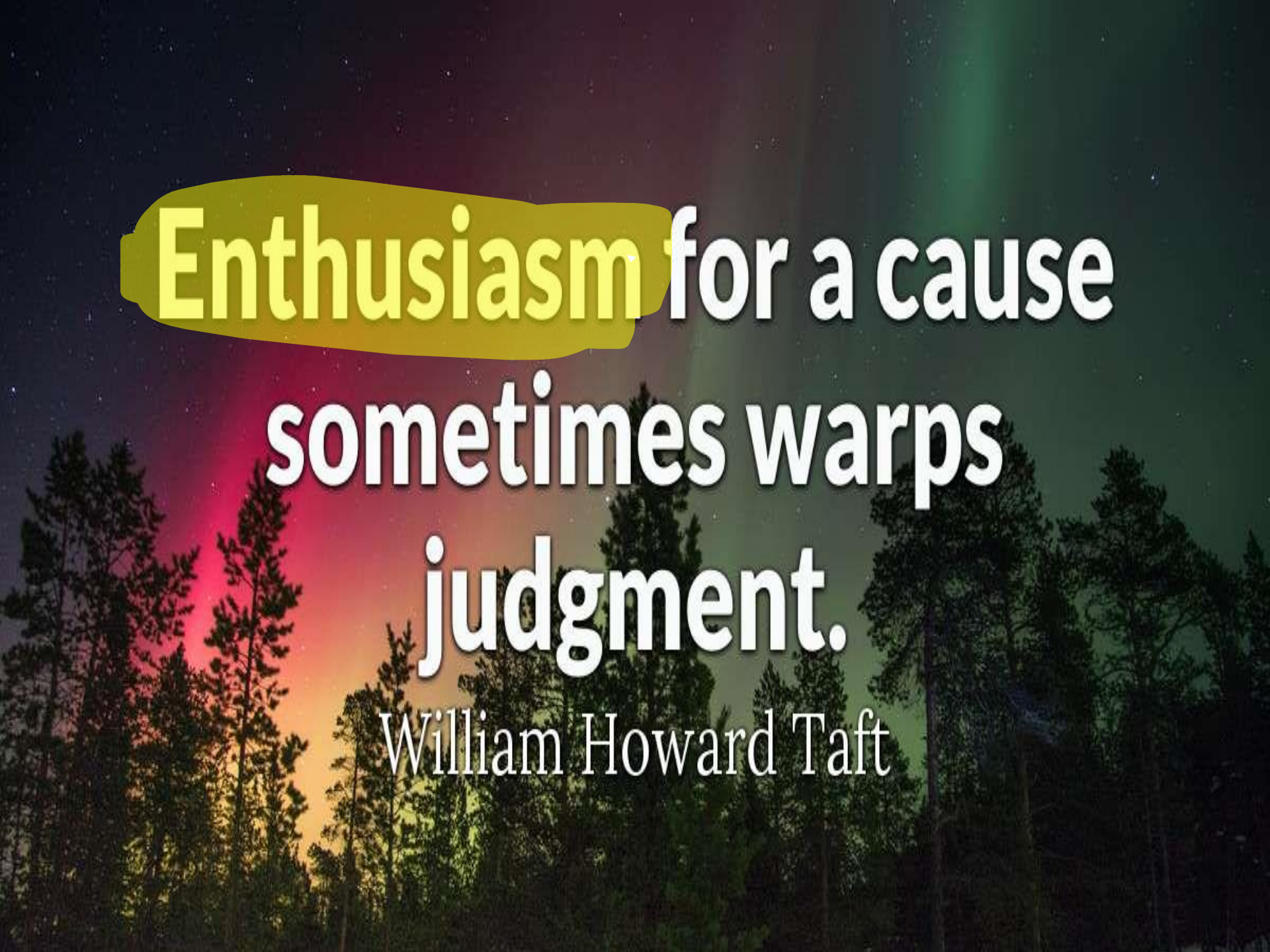
ALEX FAICKNEY OSBORN

PICTUREQUOTES.com

Obviously, a man's
judgement cannot be better
than the information on
which he bases it

Arthur Hays Sulzberger

PICTUREQUOTES.COM



Enthusiasm for a cause
sometimes warps
judgment.

William Howard Taft

LOVE IS THE ABSENCE
OF
JUDGEMENT



More...

Love me?

Great.

Hate me?

Even better.

Think I'm ugly?

Don't look at me.

Don't know me?

Don't judge me.

Think you know me?

You have no idea.

Key Aspects:

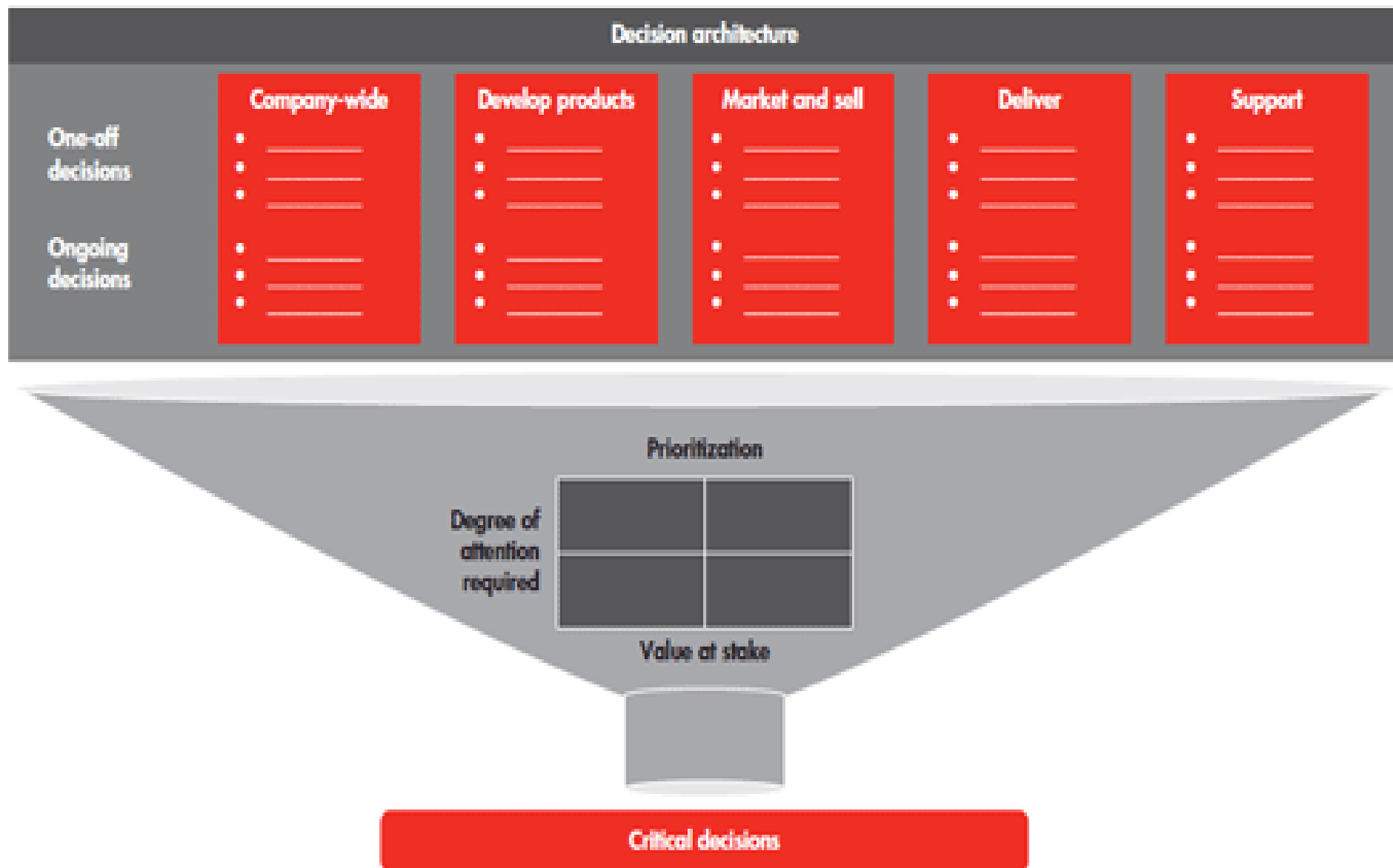
Seed Questions

- ▶ These are the questions for which the answers are already known to the facilitator
- ▶ Experts' answers to seed questions are used to estimate the calibration and information scores
- ▶ Performance measured using both score is then combined to estimate the weights

Target Questions

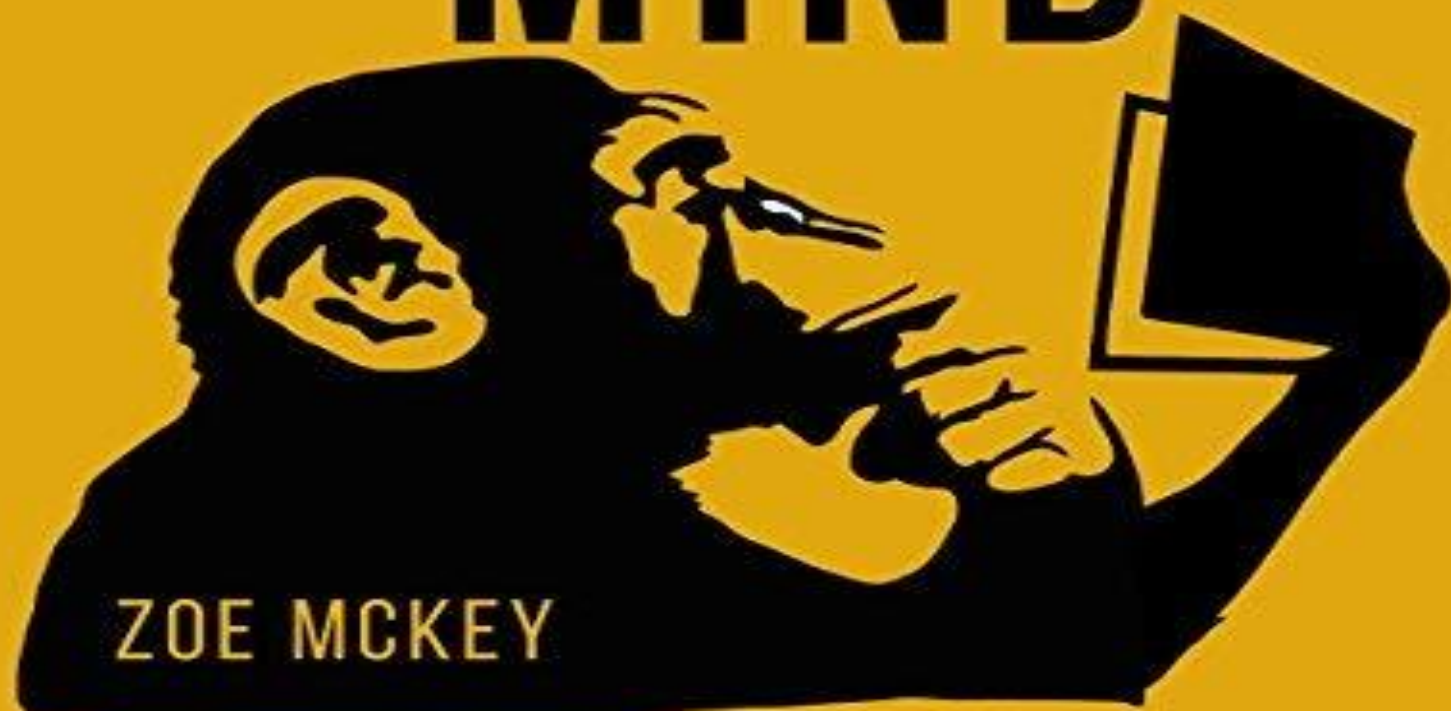
- ▶ The answers to target questions are unknown, and thus the participating experts help to derive them collectively
- ▶ Each expert's answers are weighted according to the weights he/she received
- ▶ Multiple judgments are combined to provide estimate for an unknown quantity and to quantify associated uncertainties

Figure 2: A decision architecture can help identify which decisions are critical



*Make Better Decisions, Improve Your Judgment,
and Think a Step Ahead of Others*

THE CRITICAL MIND

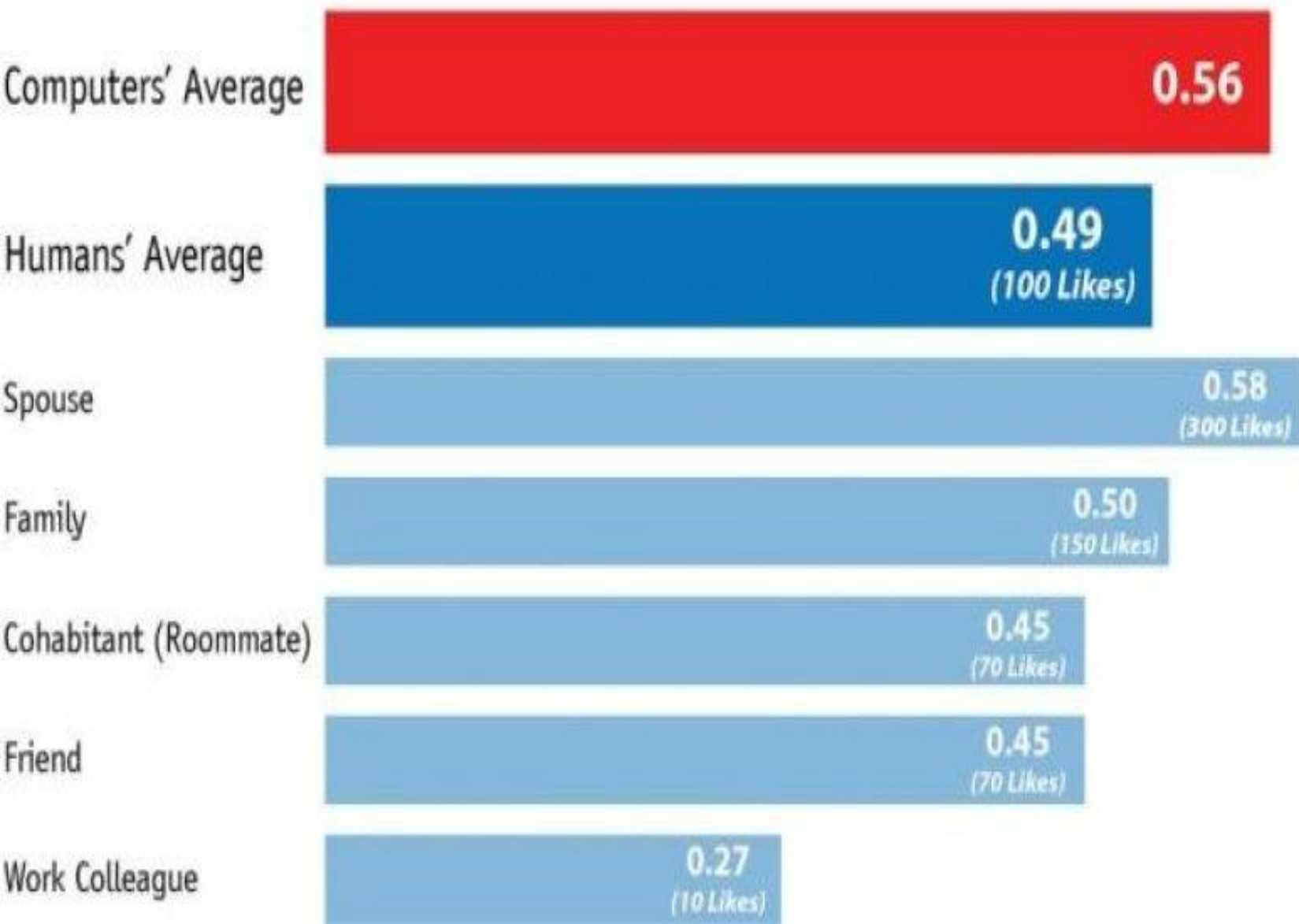


ZOE MCKEY

How accurate can computer models judge personality compared with humans?

Accuracy, correlation with self-ratings

(The number of Facebook Likes computer models need to achieve a higher accuracy)



5 QUESTIONS TO BE ASKED ON JUDGMENT DAY



1

**HOW YOU LIVE YOUR
LIFE ON EARTH ?**

2

**HOW YOU UTILIZED
YOUR YOUTH ?**

3

**HOW YOU EARNED YOUR
WEALTH ?**

4

**HOW YOU SPENT YOUR
WEALTH ?**

5

**WHAT YOU DID WITH
YOUR KNOWLEDGE ?**