

Excellence. NO EXCUSES!

Excerpt:

**159 COGNITIVE
BIASES BETWEEN
YOU AND GOOD
JUDGMENT
(GOOD LUCK!)**

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Judgment: Questionable Quality Thereof

Docs over-rely on clinical evidence—a handful of distorted memories about old cases. There are a jillion research studies on that.

(I mis-spoke on “jillion” studies re faulty clinical judgment. Number is probably a few thousand.)

I’ve been studying faulty judgment for **41** years. And research waaaaaay predates me.

Turns out most professionals are shitty decision makers. They over-rely on “clinical” experience—i.e., very low “n”/sample size.

Require as basic text in med school: **Daniel**

Kahneman’s Thinking,
Fast & Slow.

“Clinical judgment” is in general laughable.

Clinicians (a) are dealing with a small sample of data; and (b) their judgment is overwhelmed by a tiny sample-within-the-small-sample which is the extreme events they actually recall.

My friends and I laugh hysterically after close study of Kahneman. **ALL** professionals tend to be pathetic/horrid/wretched decision makers.

The power of “clinical” judgment? Most-all fund managers suck over even the mid-term, let alone the long term. Try a Vanguard PURE Index fund if you want results. (THIS IS NOT A RECOMMENDATION.)

Re clinical judgment: HR “experts” are being made to look like, um, non-geniuses re hiring, etc., by Big Data/algorithms.

Re judgment: *The “funny thing” is how relatively simple the algorithm can be that tops “professional” human judgment.*

The research, alas, snickers at common sense, too. Common sense is more or less a synonym for faulty judgment.

Mr. Gladwell gave us *Blink*. Research is clear: Intuition is laughably bad in most cases.

Kahneman's data suggest "thinking out of the box" is the supreme enemy of sound decision making.

CDC uses Big Data VERY accurately to predict the path of a flu outbreak. Odd correlations are better predictors than local disease data.

The days of sampling are coming to an end. Big Data often deals with population data.

NYC software start-up looks forward to the day when "data studs" will make more or less 100% of medical "clinical" "judgments." (I do not exaggerate—may or may not be true; but even the fact that it's thinkable enough to attract big venture money is telling.)

Tom Asaker: "Your judgment is probably decent. Unfortunately, your desires overrule it most of the time."

Tom, I think there's truth to that—but my confidence wanes by the hour. It's more fundamental than emotional roadblocks. We are *always* dealing with small samples.

"The first principle is that you must not fool yourself, and you are the easiest person to fool."—Richard Feynman (courtesy Tim Fargo)

This tweetstream constitutes bitter medicine. And the Big Data, etc., etc., road has a million twists & turns ahead. There is only one sin: Keeping one's head in the sand.

Hence: **STUDY. STUDY.
STUDY.**

*Ain't it a bitch to
learn definitively that
your "judgment"
sucks? * I'm joking
but I'm not. And: I
sure as hell ain't
exempting myself!*

*For a definitive list of **159** cognitive biases, see ...

http://en.wikipedia.org/wiki/List_of_cognitive_biases; a summary listing follows.

DECISION-MAKING, BELIEF, BEHAVIORAL, SOCIAL, AND MEMORY BIASES

- 1. Actor-observer bias**
- 2. Ambiguity effect**
- 3. Anchoring or focalism**
- 4. Attentional bias**
- 5. Availability heuristic**
- 6. Availability cascade**
- 7. Backfire effect**
- 8. Bandwagon effect**
- 9. Base rate fallacy or base rate neglect**
- 10. Belief bias**
- 11. Bias blind spot**
- 12. Bizarreness effect**
- 13. Change bias**
- 14. Cheerleader effect**
- 15. Childhood amnesia**
- 16. Choice-supportive bias**
- 17. Clustering illusion**
- 18. Confirmation bias**
- 19. Congruence bias**
- 20. Conjunction fallacy**
- 21. Conservatism (Bayesian)**
- 22. Conservatism or regressive bias**
- 23. Consistency bias**
- 24. Context effect**
- 25. Contrast effect**
- 26. Cross-race effect**
- 27. Cryptomnesia**
- 28. Curse of knowledge**
- 29. Decoy effect**
- 30. Defensive attribution hypothesis**
- 31. Denomination effect**
- 32. Distinction bias**
- 33. Dunning–Kruger effect**
- 34. Duration neglect**
- 35. Egocentric bias**
- 36. Egocentric memory bias**
- 37. Empathy gap**
- 38. Endowment effect**
- 39. Essentialism**
- 40. Exaggerated expectation**
- 41. Experimenter's or expectation bias**
- 42. Extrinsic incentives bias**
- 43. Fading affect bias**
- 44. False consensus effect**
- 45. False memory**
- 46. Focusing effect**
- 47. Forer or Barnum effect**
- 48. Framing effect**
- 49. Frequency illusion**
- 50. Functional fixedness**

51. Fundamental attribution error
52. Gambler's fallacy
53. Generation or self-generation effect
54. Google effect
55. Group attribution error
56. Halo effect
57. Hard-easy effect
58. Hindsight bias
59. Hostile media effect
60. Hot-hand fallacy
61. Humor effect
62. Hyperbolic discounting
63. Identifiable victim effect
64. IKEA effect
65. Illusion of asymmetric insight
66. Illusion of control
67. Illusion of external agency
68. Illusion of transparency
69. Illusion of truth effect
70. Illusion of validity
71. Illusory correlation
72. Illusory superiority
73. Impact bias
74. Information bias
75. In-group bias
76. Insensitivity to sample size
77. Irrational escalation
78. Just-world hypothesis
79. Lag or spacing effect
80. Less-is-better effect
81. Leveling and sharpening
82. Levels-of-processing effect
83. List-length effect
84. Loss aversion
85. Ludic fallacy
86. Mere exposure effect
87. Misinformation effect
88. Modality effect
89. Money illusion
90. Mood-congruent memory bias
91. Moral credential effect
92. Moral luck
93. Naive cynicism
94. Negativity bias
95. Negativity effect
96. Neglect of probability
97. Next-in-line effect
98. Normalcy bias
99. Observation selection bias
100. Observer-expectancy effect
101. Omission bias
102. Optimism bias
103. Ostrich effect

104. Outcome bias
105. Out-group homogeneity bias
106. Overconfidence effect
107. Pareidolia
108. Part-list cueing effect
109. Peak-end rule
110. Persistence
111. Pessimism bias
112. Picture superiority effect
113. Planning fallacy
114. Positivity effect
115. Post-purchase rationalization
116. Primacy effect, recency effect & serial position effect
117. Processing difficulty effect
118. Pro-innovation bias
119. Projection bias
120. Pseudocertainty effect
121. Reactance
122. Reactive devaluation
123. Recency illusion
124. Reminiscence bump
125. Restraint bias
126. Rhyme as reason effect
127. Risk compensation or Peltzman effect
128. Rosy retrospection
129. Selective perception
130. Self-relevance effect
131. Self-serving bias
132. Semmelweis reflex
133. Shared information bias
134. Social comparison bias
135. Social desirability bias
136. Source confusion
137. Status quo bias
138. Stereotypical bias
139. Stereotyping
140. Subadditivity effect
141. Subjective validation
142. Suffix effect
143. Suggestibility
144. Survivorship bias
145. System justification
146. Telescoping effect
147. Testing effect
148. Time-saving bias
149. Tip of the tongue phenomenon
150. Trait ascription bias
151. Ultimate attribution error
152. Unit bias
153. Verbatim effect
154. Von Restorff effect
155. Well-traveled road effect
156. Worse-than-average effect
157. Zeigarnik effect
158. Zero-risk bias
159. Zero-sum heuristic

I have spent a lot of time in the last 12 months in denial concerning this stuff. I'm still in denial—but a lot less so than a year ago. I have now reached the point of being genuinely ...

OPEN-MINDED.

New World Order: FOUR MINUTES after your [Stefan Stern's] tweet [about Julian Birkinshaw's book *Becoming a Better Boss*], I COMPLETED downloading it onto my iPad.

Stefan Stern: "HNY." [Happy New Year.]

Tim Fargo: "The consistent problem is, even with 'data': It often gets shaped to support our prior opinion or discarded if not in agreement. Humans!!!"

Usually we shoehorn new data [from info that is inconsistent with our extant beliefs] into our prior model; our beliefs are untainted by the new contradictory evidence.

Cindy Potts: "Maybe excessive comfort in your judgment is a sign you've stopped growing/learning."

TP: Uncomfortable discussion [for many]. Losing followers. Cool.

*“The first principle is that you must not fool yourself, and you are the easiest person to fool.”** —Richard Feynman (courtesy Tim Fargo)

***Repeat: I do not view this tweetstream as negative. We simply need to educate ourselves and strip off the rose-colored glasses—better judgments, or at least less-bad judgments, may well ensue. But:**

Blinders NEVER pay!