

# **Decisive by Chip and Dan Heath | Book Summary by Paul Minors**

# INTRODUCTION

## Who is this summary for?

Decisive by Chip and Dan Heath takes you through the decision-making process and offers advice on how to make better choices in life and work. A four-step process helps to avoid common biases that are most likely affecting the decisions you make today. The strategies and tools in Decisive are useful and easy to implement into your life, and the engaging examples used are enjoyable and relatable. Decision making is something we all have to do on a daily basis and many of us struggle with it, making this a great read for almost anyone!

## About the authors

As you probably guessed, Chip and Dan Heath are brothers from America. Together they have co-authored four New York Times best-selling books. Chip works as a professor at Stanford University teaching business strategy. Dan works at Duke University in the CASE centre supporting social entrepreneurs. Both are avid speakers and frequently speak in front of various associations, businesses, and nonprofits. They also have workshops that correlate with their books, bringing the concepts they discuss to life.

## In this summary

In this summary, we'll first discuss what Chip and Dan consider to be the four villains of decision making. Then we'll move on to the core of the book; the WRAP model. The WRAP model is designed to help counteract these biases. When broken down, WRAP stands for widening your options, reality testing your options, attaining distance before deciding and preparing to be wrong. We'll discuss each of these points in detail before finally discussing the importance of trusting the process.

# BOOK SUMMARY

## VILLAINS AND BIASES

Chip and Dan believe that there are four key villains that have an effect on your decision making. These are essentially 'biases' that get in the way and cloud your judgment.

The first villain is the problem with the word 'OR', Chip and Dan call this 'narrow framing'. Whenever you are considering your options and trying to make a decision, your instinct is to assume that you need to choose. Should you go with option A OR option B? However, Chip and Dan emphasise that you should start thinking about the AND. Is there a way you can go with option A AND B? Unfortunately, we have been hard-wired to assume that we always need to choose, but the reality is that often we can do both.

The second villain can be referred to as the confirmation bias. Chip and Dan explain that in situations where we want one option to be true, we are predisposed to favour that option. We will focus on any of the pros or supporting evidence and make our decision based on that and that alone. We are likely to turn a blind eye to any evidence that doesn't support what we perceive to be true.

Next, we have the short-term emotion bias. Emotions have a significant impact on us and our choices and this is especially true when facing a particularly difficult decision. Chip and Dan explain that when facing tricky decisions, we let our emotions get the better of us, agonising over the same detail, replaying details in our heads and eventually our judgment is so clouded we cannot see clearly. In these situations, we need to find some perspective.

The final bias is overconfidence. Chip and Dan point out that most people are overconfident and assume that they know more than they really do. The reality is that we know less than we think and should always be anticipating a surprise.

## COUNTERACTING THESE BIASES

So now that we understand what gets in the way of our decision-making process, we need to understand how we can counteract these problems. This is where Chip and Dan's WRAP Model comes in. We'll discuss each step in detail later but here's a brief overview.

- Narrow framing is counteracted by **W - Widening your options**. It's all about looking at all of the options and being open-minded.
- Confirmation bias is counteracted by **R - Reality testing your assumptions**. Focus on looking for trustworthy information.
- Short-term emotion can be overcome with **A - Attaining distance before deciding**. Separating your emotions from the problem.
- Overconfidence is combatted by **P - Preparing to be wrong**. Learning to plan for uncertainty is key and will help us make successful decisions.

Chip and Dan explain that the WRAP model has four steps designed to be followed in order, but this is not a firm rule, they can be used out of order and sometimes you'll find yourself having completed the process but returning to an earlier step again. There will also be cases where not all steps are required so the model is quite fluid.

## **W - WIDEN YOUR OPTIONS**

### **What are you giving up?**

Chip and Dan want everyone to learn how to expand their options and look beyond what's right in front of them. To do this, you have to consider alternatives. Even acknowledging an alternative with tiny alterations is enough to improve our decision making. They recommend that whenever you are facing a decision, you consider what you are giving up by making one of the choices. Question what else could be done in the exact same situation.

Using the example of dinner and entertainment, Chip and Dan explain that a couple may have the choice of spending \$40 on Mexican food for dinner and \$20 on a movie. Or, the next best thing would be spending \$60 on takeaway sushi and watching TV at home. Using the same amount of time and money, the sushi and TV is what an economist would refer to as an opportunity cost. What you are missing out on by choosing the first option. It doesn't mean you need to choose the second option, but knowing that it's available will improve your decision-making process.

### **Take options away**

When faced with a few different options that you are struggling between, Chip and Dan recommend you imagine that none of these current options are available any longer. You have to look beyond what's already been presented and consider an alternative. This can be a very creative way to force you to look outside the box and look for an option that might even be better.

### **Simultaneous options**

Multitracking is the term that Chip and Dan use to describe the process of processing two or more options at the same time. The process involved comparing the different options to understand the big picture. By understanding the different variables, you are in a better position to make a confident decision. Chip and Dan believe that having multiple options can be hugely beneficial, it means that people are less likely to feel strongly invested in one option in particular and they remain more open-minded, open to changing their opinion.

*"Multitracking seems to help keep egos under control. When leaders weigh multiple options, they've given themselves a built-in fallback plan."*

## **Too many options?**

So we've learned that multiple options are good, but is there such a thing as too many options? Chip and Dan explain that there has been research done on multitracking that determined it to be doing more harm than good. However, this is more likely applied to situations with a large number of options, say 24. In life, you usually only have a decision to make between less than 5 options. Chip and Dan stand by their point that adding even just one more option to a situation will improve your decision making and is worthwhile.

*"When we Widen Our Options, we give ourselves the luxury of a real choice among distinct alternatives. Often the right choice won't be obvious at first glance, though we may have a hint of a preference. So, to inform our decision, we'll need to gather more information."*

## R - REALITY TEST YOUR OPTIONS

### The opposite and disagreements

Chip and Dan have already made it clear that we have a predisposed confirmation bias which clouds our judgment. So how can we overcome this and steer away from our favoured preferences? The goal is to really test your options. And to do this, Chip and Dan explain that you need to learn how to consider the opposite. By doing this you are opening yourself up to constructive disagreement. Although this sounds like a bad idea, it's actually very useful when trying to make a decision.

### Asking questions

Chip and Dan emphasise the importance of asking the tricky questions. DON't simply sit back and accept your options as they are. Ask probing questions to really delve into the information and learn everything you can about your options. This technique is particularly useful when you are facing people with their own agendas like salesmen, recruiters, employees etc.

*"Can we force ourselves to consider the opposite of our instincts? Assuming positive intent" spurs us to interpret someone's actions/words in a more positive light. We can even test our assumptions with a deliberate mistake."*

### Zoom in, Zoom out

Something that's pretty simple but comes highly recommended from Chip and Dan is talking to an expert when you are trying to reality-test your ideas. Whether it be an engineer, a lawyer or an accountant, talk to someone in the right field and get their insight.

*"Zooming out and zooming in gives us a more realistic perspective on our choices. We downplay the overly optimistic pictures we tend to paint inside our minds and instead redirect our attention to the outside world, viewing it in wide-angle and then in close-up."*

## Ooch

Ooching is another technique you can use to reality-test your ideas. It's the concept of trying before you commit. Ooching is just like experimenting or prototyping. Rather than dedicating a large period of time to building your idea, work with prototypes first, this will allow you to experiment, try out options and eventually decide on a final product that is well-tested and ready to go to the market. Chip and Dan explain that Ooching should be used to speed up the process, not slow it down. They explain that why not put something to the test rather than simply relying on guesswork and predictions?



## A - ATTAIN DISTANCE BEFORE DECIDING

### 10/10/10

Chip and Dan recommend using the 10/10/10 technique whenever considering your options. The way you use this is to first consider how you'll feel about this option in 10 minutes, then 10 months and finally 10 years. By applying different time frames you are able to get a little bit of context on your decisions and create distance. This enables you to consider what the knock-on effects will be and look to the future, not just the right now.

### It's all about perspective

Perspective is an incredibly important part of decision making. Your own perspective has a significant impact on the choices you make. So Chip and Dan recommend that you try to shift your perspective when making difficult decisions. When facing a tricky situation, imagine that your best friend comes to you with the same problem. What would your advice be to them? Look at the situation from the outsiders perspective. Again, this creates distance and allows you to see clearer.

*"We can attain distance by looking at our situation from an observer's perspective. Adding distance highlights what is most important; it allows us to see the forest, not the trees."*

### Core priorities

*"When you strip away all the rational mechanics of decision making—the generation of options – what's left at the core is emotion. What drives you? Is there a certain kind of person do you aspire to be? What do you believe is best for your family in the long run?"*

Chip and Dan explain that these are questions are designed to probe your emotions. It removes the rationality and leaves only the emotion. Allowing the true you to emerge and make a decision based on what you truly want.

Chip and Dan's advice is to define and enshrine your core priorities. Understand what makes you tick and protect your priorities. They explain that people very rarely understand their own priorities unless forced, nobody feels the need to define them.

And even if you've taken the time to define what your priorities are, you aren't necessarily going to always stay true to them. So Chip and Dan encourage everyone to spend more time focusing on our core priorities and less time on other useless stuff.

## P - PREPARE TO BE WRONG

*"We have to Prepare to Be Wrong about our predictions of the future. We need to stretch our sense of what the future might bring, considering many possibilities, both good and bad. When we think about the extremes, we stretch our sense of what's possible, and that expanded range better reflects reality."*

### Optimism

For most of our lives we are encouraged to be optimistic, always see the glass as half full. However, Chip and Dan actually have an opposing view on this concept. They believe that by being overly optimistic, you fail to notice what else is going on. You need to take the time to explore all opportunities and this usually involves being pessimistic. Prepare for the worst case scenario.

Chip and Dan explain that by being optimistic, you overlook problems that you could face and this can be detrimental. On the other side of the spectrum, they also encourage everyone to prepare for even better outcomes than you might expect. The goal is to always consider all options, the extremely good and the extremely bad.

### Being wrong

It's simple advice but Chip and Dan explain that you often just need to assume that you are wrong. Assuming that you are wrong will force you to establish a useful margin of error and prepare you for any problems.

*"Overconfidence about the future disrupts our decisions. It makes us lackadaisical about preparing for problems. Overconfidence tempts us to ignore early signs of failure. It leaves us unprepared for pleasant surprises. Fighting overconfidence means we've got to treat the future as a spectrum, not a point."*

### Tripwires and deadlines

Chip and Dan recommend using tripwires in the decision-making process. A tripwire is designed to 'snap you awake at the right moment' which in turn enables you to

reconsider the decision you've made. An example of a tripwire is the fuel-light in your car. You may be driving along quite happily but when the warning light comes on, your attention shifts and you have a choice to make; keep going as you are or stop at the nearest gas station.

Deadlines are a particularly useful way to set tripwires. Chip and Dan explain that although deadlines often seem like the destination the end of the journey, they are often just an artificial end-date. They essentially act as a tripwire, forcing you to take action and make a decision at that point.

## **Partitions**

Partitioning or breaking something down into smaller steps or actions is common advice. By taking something that seems large, and partitioning it into smaller, individual portions you are able to understand the bigger picture better and make better decisions. Break decisions down into smaller, actionable steps. This will give you a clearer idea of whether your idea is easily actionable.

Chip and Dan explain the science of partitioning through a cookie experiment. When a group of participants were given 24 cookies in a box, some were given individually wrapped cookies while some were given cookies loose in a box. Now, those who received individuals wrapped cookies ate their cookies over 24 days whereas those who received loose cookies ate them in 6 days. By having an individual cookie wrapped, each participant was forced to think more deeply about the decision to eat the cookie now or save it for later.

## FINAL THOUGHTS FROM CHIP AND DAN

*"The WRAP process, if used routinely, will contribute to that sense of fairness, because it allows people to understand how the decision is being made, and it gives them comfort that decisions will be made in a consistent manner. 'Process' isn't glamorous. But the confidence it can provide is precious. Trusting a process can permit us to take bigger risks, to make bolder choices. Studies of the elderly show that people regret not what they did but what they didn't do."*

# CONCLUSION

## Key takeaways

- There are 4 key things that affect your decision making and 4 ways you can counteract these problems.
- The first is narrow framing. This is essentially believing that you have to select A or B.
- This is counteracted by widening your options. Looking beyond what is in front of you and being open-minded.
- The second issue is confirmation bias. The idea that you have a preconceived preference that you favour.
- This can be counteracted by reality testing your assumptions. You need to look for trustworthy information that you can rely on.
- The third issue is letting short-term emotion cloud your judgment.
- The best way to tackle this one is to attain distance before deciding. Take an outsiders perspective or consider how you would feel in 10 months or 10 years from now to establish a less clouded view.
- Finally, overconfidence can get in the way of your decision making.
- Combat overconfidence by preparing to be wrong. Don't always be so optimistic and plan for uncertainty.

## Further reading

*Think and Grow Rich* by Napoleon Hill examines the psychological power of thought and the brain in the process of furthering your career for both monetary and personal satisfaction. Originally published in 1937, this is one of the all-time self-help classics and a must read for investors and entrepreneurial types.

*Mindset* by Carol Dweck is a psychological examination of two different mindsets; the fixed mindset and the growth mindset. She discusses how these come into play

and how they effect our lives. Deck's book goes into detail about how mindsets can be applied to all areas of life from schooling, work, relationships and parenting. At the end of each chapter, Dweck has leading questions and tips on how you can grow your own mindset. A must-read for anyone looking to expand themselves, grow and learn.

*Liminal Thinking* by Dave Gray is a great book that challenges the way you think and the way you see the world. Gray emphasises that we all have a choice in how we see and navigate the world, and the first step to success is to engage in liminal thinking and allow ourselves to explore new opportunities.

*Guidelines* is my eBook that summarises the main lessons from 33 of the best-selling self-help books in one place. It is the ultimate book summary; Available as a 80-page ebook and 115-minute audio book. Guidelines lists 31 rules (or guidelines) that you should follow to improve your productivity, become a better leader, do better in business, improve your health, succeed in life and become a happier person.

## Action steps

- Learn how to recognise when you are hindering your decision making by being narrow-minded etc.
- When facing difficult decisions, try to employ the WRAP model.
  - W - widen your options
  - R - reality test your assumptions
  - A - attain distance before deciding
  - P - prepare to be wrong
- This process has four steps designed to be followed in order, but this is not a firm rule, they can be used out of order and sometimes you'll find yourself having completed the process but returning to an earlier step again. There will also be cases where not all steps are required so the model is quite fluid.
- Download the complete book on [Amazon](#).

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