# AIG 120 – Case Study 2 – Week 4

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### Introduction =

**Scenario *#3*:** Product Development

**Context:** A product development team is brainstorming ideas for a new product. Recently, a competitor's product failure made headlines due to a specific design flaw.

**Task:** The team needs to decide on key features for their new product.

**Role:** Product Manager

### Strategy Planning =

#### Identified biases:

1. **Confirmation Bias -** Only looking for information that supports what your perspective of what you already believe to be true
2. **Anchoring Bias -** Getting stuck on the first piece of information you receive and not being able to move past it
3. **Availability Bias -** Thinking something is more likely just because it's easy to remember, imagine or recall. Makes it difficult to make rational decisions based on facts
4. **Hindsight Bias -** Believing that an event was predictable or that you knew it was going to happen all along after it has already occurred
5. **Overconfidence Bias -** Overestimating your own abilities or the accuracy of your predictions

#### Mitigation strategies:

1. **Confirmation Bias -** Ask team members to play "devil's advocate" and list opposing viewpoints
2. **Anchoring Bias -** Write down multiple solutions/perspectives before discussing any single one & then use a structured decision-making framework to evaluate each option
3. **Availability Bias -** Create a simple checklist of pros and cons before making decisions to ensure all relevant information is considered and not just the easy-to-recall information
4. **Hindsight Bias -** Keep a decision log to track the reasoning behind decisions and revisit them to see if they were truly predictable or if hindsight bias is at play
5. **Overconfidence Bias -** Encourage team members to provide evidence or data to support their predictions and decisions, rather than relying solely on intuition or gut feelings

### Real World Case =

**Case Study Topic:** Samsung Galaxy Note 7 Battery Issue

#### Description:

* The Samsung Galaxy Note 7 was released in August 2016 and was recalled in September 2016 due to a battery issue that caused the phones to explode.
* The issue was caused by a design flaw in the battery that led to overheating and combustion.
* The recall was a significant blow to Samsung's reputation and resulted in a massive financial loss for the company.
* The incident highlighted the importance of rigorous testing and quality control in product development.

### Reference =

#### Strategy Planning:

* Cherry, K. (2024, February 22). *13 types of common cognitive biases that might be impairing your judgment.* Verywell Mind. Accessed February 2, 2025, from <https://www.verywellmind.com/cognitive-biases-distort-thinking-2794763>
* Cherry, K. (2024, May 19). *Confirmation bias: Hearing what we want to hear.* Verywell Mind. Accessed February 2, 2025, from <https://www.verywellmind.com/what-is-a-confirmation-bias-2795024>

#### Real World Case:

* The Verge Staff. (2016, September 2). *Samsung's unprecedented recall of the Galaxy Note 7.* The Verge. Accessed February 2, 2025, from <https://www.theverge.com/2016/9/2/12777320/samsung-galaxy-note-7-recall-battery-explosion>