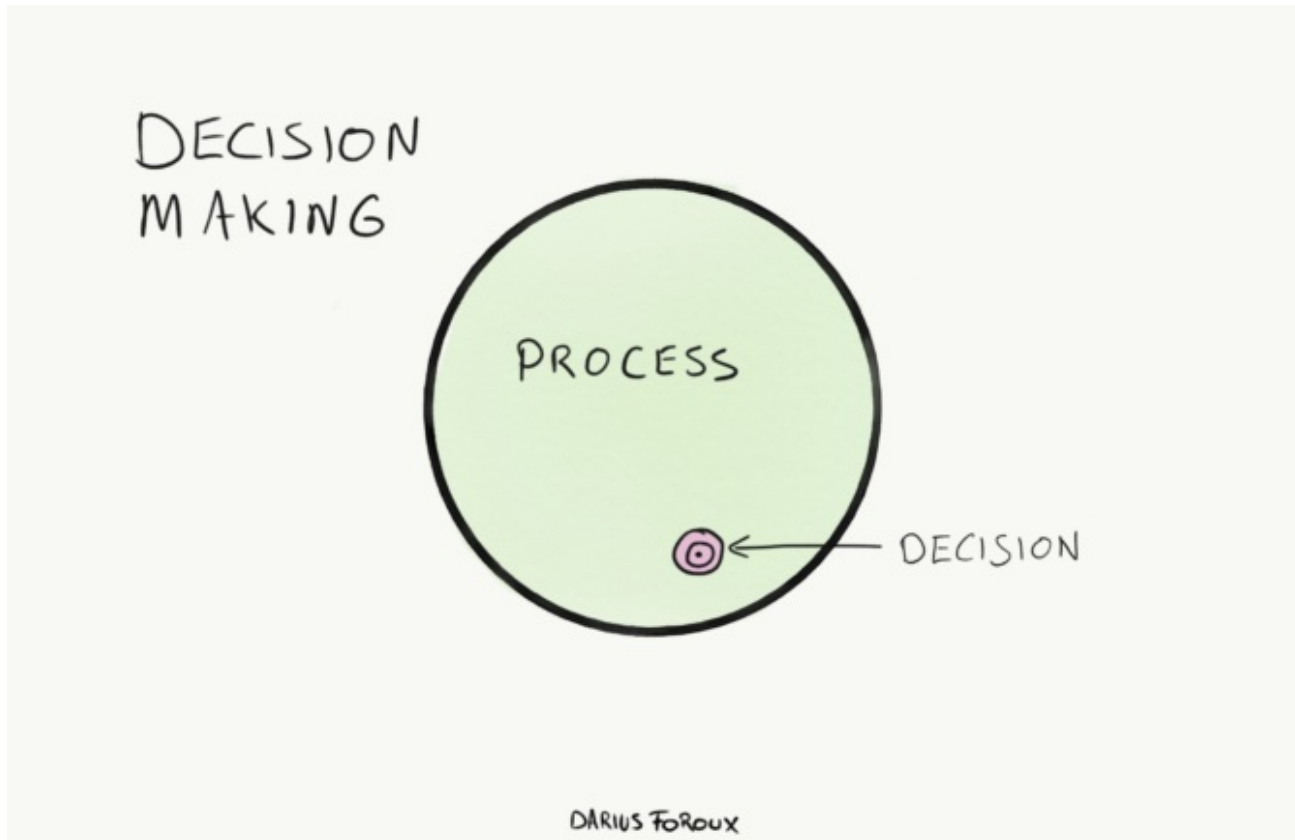


# Mental Models and Making Decisions You Don't Regret

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What makes a good decision? When I ask people that question, I often get answers like:

“When the outcome is successful.”

Why is it that we, as a society, romanticize outcomes? Only things and people that succeed are celebrated. Just look at all the articles and books that idolize successful people. And to a degree, that’s obvious.

But it’s also misleading. We tend to overlook cases that did *not* come with a successful outcome. And when we *do* look at failure, we are often quick to explain why things failed.

In hindsight, we can all look at mistakes and say that it was imminent. But if preventing mistakes is that easy, why are we still make decisions that we regret?

Take the case of the Titanic. Looking back, we all know that the luxury liner that traveled from Southampton to New York made many costly mistakes.

For example, it is well known that the Titanic didn’t carry enough lifeboats.

“What happens when all the lifeboats are used in case of an emergency?” is something that someone surely said, right? We just don’t know! We weren’t *there*.

How about another interesting fact? The Titanic was tested for 6 hours and never with a full crew. After that, they loaded up the passengers and set sail towards New York.

“Shouldn’t we try this thing out more before we bring passengers on board?” someone surely said. I guess not.

But here’s the thing. No one *wanted* the Titanic disaster to happen. And no one predicted it... Until *after* the fact.

A few decades before all those innocent people died, Fyodor Dostoevsky famously said:

“Everything seems stupid when it fails.”

## Bad Decisions and Good Decisions

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It’s easy to look at success and attribute it to good decision making. But here’s the thing—that statement is also true the other way around.

Failure is not always explained by bad decision making. However, that’s what most historians do. But like Dostoevsky said, in hindsight failure is always obvious.

The people who were responsible for the Titanic probably thought they were making the right decisions at the time. After the fact, they probably regretted many things.

But I don’t think good or bad decisions have anything to do with the outcome. Peter Bevelin, the author of Seeking Wisdom, puts it well:

“Good decisions can lead to bad outcomes and vice versa.”

The truth is: You can’t predict the future. Sometimes even bad decisions can lead to good outcomes.

So that’s why I think it’s pointless when people pretend they can teach you how to make “good” decisions. There’s no such thing. Any person who’s failed a lot in life will tell you that.

## Mental Models: Focus On The Process, Not The Outcome

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The way you look at how something works in the real world is called a mental model. It’s your thinking framework about *something*.

But when we make decisions, we often don’t think about our framework and immediately jump to a discussion about potential outcomes.

We ask, “What will happen if we make this decision?”

That's an incomprehensive method because you're not questioning your decision-making process. You're only looking at the outcome.

But have you considered what specific thinking frameworks (mental models) you can use for your decision?

Too often, we skip the process and jump right to deciding. Maybe that's due to a lack of time, resources, or knowledge— it doesn't matter.

Whatever your reason is, it's never an excuse to skip the decision-making process altogether. Because that's the only way to become a bad decision maker— regardless of the outcome.

So instead of focusing on how successful your choices are, focus on how comprehensive your decision-making process is.

Look, you don't have to know everything about mental models—I certainly don't. Most pseudo-intellectuals spend more time *talking* about what a mental model is instead of using them to achieve anything meaningful in life. They just like to *define* mental models.

But as you and I both know, knowledge without application is useless.

That's why I recommend reading only the following 3 books that focus on this topic:

- Seeking Wisdom by Peter Bevelin—Discusses the mental models of Charlie Munger and Warren Buffett.
- Fooled By Randomness by Nassim Taleb—One of my favorite mental models. Helps with understanding how random events influence outcomes.
- Nudge by Richard Thaler and Cass Sunstein—Explains how our decisions are influenced by different factors.

We can never predict the future, nor can we know all mental models that exist. But we *can* make decisions we don't regret.

By simply focusing on the thinking process, we can always say we did the right thing. And that's the only sure way to avoid regret—no matter what the outcome is.

### “What's the right thing?”

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It's clear we should never regret making mistakes. Every mistake is a lesson after all. However, there's another type of regret that literally kills people. It's the regret of inaction.

I've seen this up close with my grandmother. At the end of her life, she drowned in her own sorrow. And that sorrow was solely made up from regret about the things she never did.

Look, no matter what you do, we all suffer in life. But there's a difference in suffering, as Jim Rohn once said:

“We must all suffer one of two things: the pain of discipline or the pain of regret or disappointment.”

Achieving your goals. Improving yourself and your relationships. Writing a book. Building a business. It's painful. It takes a lot of time, energy, and sacrifice to achieve things that are worthwhile in life.

But you know what's also painful? The regret of inaction, disappointment, and laziness.

Which type of suffering hurts more? It's up to you to decide.

Thanks for reading!

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