

DECISIVE WORKBOOK



**BY CHIP & DAN HEATH
FOR DECISION MAKERS & DECISION ADVISORS**

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How to use this workbook

This guide is intended to be used as a supplement to the book *Decisive*. It does not stand alone; if you haven't read the book, this workbook won't be very useful to you.

For each part of the WRAP framework, we have included some practical suggestions for embracing the concepts in the book, including:

- Questions to ask
- Discussions to lead
- Exercises to try
- Thought experiments to conduct

Also, for each part of the framework, we have included advice for two situations:

1. Advice to help YOU make decisions.
2. Some tools to make you a better decision advisor to the people you care about. Here we're assuming that you're either advising a loved one or coworker, or you're a manager setting up a decision process for others who will make the decision.

THE WRAP FRAMEWORK

WIDEN YOUR OPTIONS

REAILITY-TEST YOUR ASSUMPTIONS

ATTAIN SOME DISTANCE BEFORE DECIDING

PREPARE TO BE WRONG

WIDEN YOUR OPTIONS

Mission: To break out of a narrow frame and expand the set of options you consider

Core Ideas: The most important tools to keep in mind

- Expand your options.
- Consider opportunity cost.
- Run the “vanishing options test.”
- Multitrack – think AND not OR.
- Toggle between the promotion and prevention mindsets.
- Find someone who has solved your problem.
- Try “laddering.”

Advice to help YOU make decisions

- **Expand your options.** Heidi Price helps families widen their options for college because she knows the landscape of choices so well. Could you locate someone who would have an equally broad knowledge of options in your domain? You're seeking someone who could help shift your spotlight to options that you wouldn't normally consider.
- **Consider opportunity cost.** Think of a "yardstick" you could use to measure the opportunity cost of the time or money you are about to invest. (Recall that Eisenhower compared the cost of a new bomber to school-houses, power plants, and hospitals.) For business investments, you could consider a yardstick like: How many additional customer service reps or salespeople could we hire instead of making this investment? (Would we be better off?) For a personal expense, the yardsticks might include: How many songs could you download? How many dinners out could you have? Or how much extra time could you spend with your kids?
- **Multitrack – think AND not OR.** Always think AND not OR. Can you follow multiple paths at once? If not, can you embrace one and sample another? (E.g., if you're contemplating a career shift, you might keep your current job but volunteer a few hours somewhere else)
- **Multitrack – think AND not OR.** Describe all your options on one piece of paper (or a whiteboard at work), then compare and contrast to spot patterns. See if you can cobble together a "Perfect 10" option that combines the best features of multiple alternatives.
- **Toggle between the promotion and prevention mindsets.** For promotion: Suppose you had a sudden windfall of time (or money). How would you spend it? For prevention: Suppose there was a traumatic 25% cutback.

How would you handle it? This “toggling” can help you spot new options that might combine elements of both.

- **Find someone who has solved your problem.** The internet is a handy place to look for someone who’s solved your problem. Spend 20 minutes on an internet search, using 3-4 keywords that relate to your predicament. It sounds simple, but consider this finding: A study in medicine found that 58% of diagnostic cases in the *New England Journal of Medicine*—selected because they involve tricky clinical diagnoses—could be solved using this methodology. If your dilemma is more common, you’ll likely do better.
- **Find someone who has solved your problem.** Send an email to 5 people in your network who aren’t close friends or colleagues. Describe your dilemma and ask if they know anyone who might have some insights. (The motivation here is to tap different networks—most of your friends and close colleagues probably know each other, so their networks aren’t as independent and you probably already know what they know.)

Guidance to make you a better decision advisor

- **Run the “vanishing options test.”** If you’re skeptical that people are not considering the full range of their options, run the Vanishing Options test. Say: “That option you were considering? Yep, it just disappeared. Now what are you going to do?”
- **Consider opportunity cost.** People don’t naturally consider their opportunity costs. Ask them, “What’s the next best use of the resources you’re talking about spending?” Force them to push their spotlights around by asking about different domains: For instance, if they’re waffling about whether to remodel their bathroom, ask whether they might be happier spending the money on a vacation or new furniture for the family room. You’re in a better position to help them avoid narrow frames and your probing can help them clarify their preferences.
- **Multitrack – think AND not OR.** When Anne Mulcahy turned around Xerox, she knew that personnel decisions were the most important. She forced people to consider at least three candidates for any open position. If you’re a manager, can you require 3 options? Tell people to imagine that the ultimate decision will be made by someone else—as in the kid’s game of divide and choose—that way, they’ll cultivate 3 high-quality alternatives.
- **Multitrack – think AND not OR.** Try a decision technique recommended by Silicon Valley venture capitalist, Randy Komisar: before brainstorming about a topic, ask everyone to write down their ideas privately on a piece of paper. Then, go around the table and have people share one idea at a time—logging the answers on a white board—until all ideas are exhausted. Then, and only then, start your discussion. (This keeps the discussion from starting and staying on a single narrow track determined by

whatever topic gets discussed first.)

- **Toggle between the promotion and prevention mindsets.** Does your decision process compel people to consider both the prevention and promotion focus? The “SWOT” framework does, for instance. (It includes “Strengths and Opportunities” but also “Weaknesses and Threats.”)
- **Try “laddering.”** Ask people, “On this issue you’re struggling with, what’s the closest thing to a ‘success’ you’ve seen to date in your life (or organization)?” If they can answer that, you’ve got a bright spot. Analyze it so that you can potentially reproduce it. [For more depth on the idea of “bright spots,” see Chapter 2 in our previous book, *Switch*.]
- **Try “laddering.”** Can you point people toward another arena/field/group who has tackled a similar problem? Lexicon gets name designers to consider a range of alternatives by thinking of other domains where solutions might arise—one group trying to name the Pentium microprocessor was assigned to think of names for high performance skis.
- **Find someone who has solved your problem.** Challenge your team to encode playlists on important classes of decisions. What’s every technique you’ve used with success in the past? Once you have a playlist, use it consistently—spend 20 minutes working through each item, in brute-force fashion, to see if any are relevant to your current decision.

REALITY-TEST YOUR ASSUMPTIONS

The mission: To fight the confirmation bias and ensure that, when you are assessing your options, you are gathering information that you can trust.

Core Ideas: The most important tools to keep in mind

- Fight the confirmation bias.
- Spark constructive disagreement.
- Ask disconfirming questions.
- Consider the opposite.
- Make a deliberate mistake.
- Zoom out: Respect the base rates.
- Zoom in: Take a close-up.
- Ooch.

Advice to help YOU make decisions

- **Consider the opposite.** If you think Jane is the right person for the job, consider why Jane might be exactly wrong. If a new market looks appealing, consider why it may be unappealing. If you're considering a particular location for a vacation, consider why it might be a bad idea. These quick tests might suggest new information to gather. (E.g., if lousy weather is the reason your vacation spot might be a bad idea, you can go double-check the average weather for the time you'll be there.)
- **Spark constructive disagreement.** Can you find someone you trust who will disagree with you? In her study of Silicon Valley firms, Kathy Eisenhardt found that the CEOs who made the quickest, most effective strategic decisions had a senior counselor. The counselor was usually someone who knew the industry well but didn't have a personal agenda, which meant they could provide unvarnished, trustworthy guidance.
- **Ask disconfirming questions.** When you ask for advice on your decisions, don't just ask people "What do you think?" or "Do you like my idea?" Ask disconfirming questions: "What's the biggest obstacle you see to what I'm trying to do?" "If I failed, why do you think it would be?"
- **Zoom out:** Respect the base rates. Even a little bit of expertise can help. If you have access to Amazon or Yelp or TripAdvisor reviews, you'll probably use them instinctively to establish base rates. But if there are no easy averages to consult, look for a smaller sample: Relying on even one on-target data point is better than just making your best guess. If you're thinking about going in a nightclub, ask someone coming out, "Was the dance floor good?" For medical decisions, find someone in your network who's faced a similar situation (or track someone down on the internet and send them an email). Don't settle for intuition—look for experience, even if it's only one or two other people.

- **Make a deliberate mistake.** Get your work group together and read Paul Schoemaker's story together (pp. 110-11). Follow his game plan for your organization. What are your assumptions? Which ones would it be most lucrative to discover are wrong? Pick one, then plot a deliberate mistake!
- **Ooch.** Can you ooch by sampling the options that you're considering? (Think of the budding pharmacy student who would be well-served to do a two-week internship at the local pharmacy.) CarsDirect started with a very simple mission: Sell one car. Find ways to imitate their strategy: At work, can you sell one? Pitch one? Try one? Find one?
- **Ooch.** Can you get yourself to ooch by lowering the barriers? Imagine that you could take a half-day to do something to assess one of your options. (Not talk about it, not think about it, not agonize about it – do something about it.) What could you do? If you had \$100 to spend to aid your assessment, how would you spend it?

Guidance to make you a better decision advisor

- **Spark constructive disagreement.** Ask around to find out who has concerns about the direction the organization is going. Schedule a group lunch where they can air their concerns. Or, give them license to hand-pick a few colleagues and compile a “devil’s advocate” case against what’s being considered.
- **Spark constructive disagreement.** If you’re part of a meeting that has broken up into factions, don’t forget to ask the Roger Martin question: “What would have to be true for each of these options to be the best possible choice?”
- **Zoom out: Respect the base rates.** Often people overlook data about base rates that’s right in front of them. Remember the Dean on the curriculum project who didn’t bring up the base rates until he was prodded. Force people to consider the information they already have: “Think of the last five projects like this that you’ve done. How many have been successful? How long did they take?” (Recall, too, the story from Chapter 4 about Kaiser combatting sepsis. It started with people excavating their own data, specifically, the last 50 people who’d died at their hospitals. That data proved shocking—and, ultimately, life-saving.)
- **Zoom in: Take a close-up.** Can you arrange a field trip for your group to “go to the *genba*”? Traditionally, this meant that manufacturing leaders would visit the factory floor, but for marketers, it might mean shadowing someone as they shop at the mall. For a youth minister or teacher, it might mean making a house call to meet the family of a teenager who is in your class.

- **Ooch.** Rather than arguing endlessly about who is right, can you encourage your colleagues to specify what kind of experiment would resolve the issue once and for all? (For inspiration, remember the example of Intuit's Indian-farmer product. Scott Cook thought it was "hare-brained" but he wisely let the experiment prove him wrong.) Don't *predict* when you can *know*.
- **Ooch.** As a wise counselor, be careful that people are not ooching when they should be leaping! Remember that ooching can backfire if it's used to enable "emotional tiptoeing." Ooching is for gathering information about an ambiguous issue, not for delaying commitments.

ATTAIN SOME DISTANCE BEFORE DECIDING

The mission: To resist the disrupting influence of short-term emotion and ensure that you make a decision based on your core priorities

Core Ideas: The most important tools to keep in mind

- If you're agonizing, gather more options or information.
- Try 10/10/10.
- Fight the "status quo bias" (mere exposure + loss aversion).
- Shift perspectives to gain distance.
- Identify and enshrine your core priorities.
- Go on the offensive against lesser priorities.

Advice to help YOU make decisions

- **Try 10/10/10.** Attain some distance by talking through a 10/10/10 analysis with a friend. This will force you to label the short-term and long-term implications of your decisions, with the benefit of an outsider's perspective on your decision. (Also, it can often be clarifying just to hear how your logic sounds when it comes out of your mouth ...).
- **Shift perspectives to gain distance.** Here's the key question to ask when you're stuck on any personal dilemma: What would I tell my best friend to do? At work, ask the Andy Grove question: If I were replaced tomorrow, what would my successor do?
- **Identify and enshrine your core priorities.** Karen Douglas, a business consultant who owns her own firm, found herself with an overly packed calendar so she adopted a rule to assess new opportunities: "If it's not a 'Hell yes!'", it's a 'No.'" Is there a rule that would remind you of your priorities? (A person who moved to a new town without a good social network might adopt the exact opposite rule: "If it's not a 'Hell no!', it's a 'Yes.'")
- **Identify and enshrine your core priorities.** Do a forensics analysis of your calendar. What would the outside investigator conclude about your core priorities? If you don't think you'd be satisfied with the forensic analysis, ask yourself: Which activities can I stop doing to free up more time for what's important?
- **Identify and enshrine your core priorities.** Most decisions involve multiple factors, but force yourself to identify the most important of your core priorities. (E.g., in choosing a home, your core priority might be "good schools.") If you made the decision based solely on that variable, what would be your choice? If you're stuck between two options, it makes sense to let your core priority be your tie-breaker.

Guidance to make you a better decision advisor

- **For an agonizing decision, gather more options or information.** If people seem stuck on what to choose, try running back through earlier stages in the WRAP framework. Can you Widen Their Options? (Try running the Vanishing Options test. Or find someone who has solved their problem before.) Can you Reality-Test Their Assumptions? (Where could they get a “close-up” of their alternatives? Is there a way they could ooch before leaping?)
- **Fight the “status quo bias” (mere exposure + loss aversion).** Because of loss aversion, many people would turn down a coin-flip bet where they’d win \$100 on heads and lose \$50 on tails. But any organization would happily sign up for a portfolio of 1000 of those bets! Try suggesting to your advisee that they view their decision as part of a portfolio—sometimes that can help combat the pain of loss aversion.
- **Fight the “status quo bias” (mere exposure + loss aversion).** The status quo bias makes people reluctant to embrace new options. So try reframing the status quo! Ask someone who is reluctant to sell their home: *If you didn’t own your home today, would you buy it?* (If not, why are you so hesitant to sell it?) Ask someone who has a troubled business relationship with a vendor: *If you weren’t already working with that firm, would you start the relationship from scratch?* (If not, what’s so bad about ending it?)
- **Identify and enshrine your core priorities.** Follow the “Wayne’s Rules” game plan for helping people act on their core priorities. First, talk to your employees and ask them about the toughest decisions they’ve made in the previous six months. Listen for patterns—try to identify the 3 most common types of decisions that they face. Then, come up with 2 “guardrail”

rules that would make all 3 of those decision types easier to resolve in the future.

- **Identify and enshrine your core priorities.** Start a meeting by spending five minutes on your core priorities-- reminding everyone of what you're trying to achieve. ("We're here to figure out a way of handling product returns that makes customers more satisfied.") State your core priority explicitly and return to it frequently, as you deliberate, so that it can tip your decision in the right direction.

PREPARE TO BE WRONG

The mission: To avoid being overconfident about the way our decisions will unfold and, instead, taking the opportunity to plan for both good and bad potential scenarios.

Core Ideas: The most important tools to keep in mind

- Bookend the future.
- Run a premortem and preparade.
- Use a safety factor.
- Create a “realistic job preview.”
- Set a tripwire.
- Use “pattern-matching” tripwires.

Advice to help YOU make decisions

- **Create a “realistic job preview.”** Who could you call for a “realistic job preview” that could prepare you to be wrong about the decision you’ve made? For example, if you’ve just bought your first home, ask your realtor and a few older friends, “What are the most common problems that new home buyers run into?” At work, if you’ve committed to a major new software implementation, try to locate someone who has just survived a comparable cycle.
- **Run a premortem and preprade.** Run a premortem for your decision: It’s a year from now and the decision was a disaster. Why did it fail? (Note that if you’re doing the premortem with colleagues, don’t share answers until everyone has brainstormed on their own.) Then, later, run a preprade: It’s a year from now and our decision is a huge success. How did we do it? Make sure to consider these negative and positive bookends separately—that will help you surface more of the relevant issues on each pole.
- **Set a tripwire.** What tripwires can you set to make sure you’re focusing on the right things? Peter Bregman sets his watch to beep once per hour, which triggers him to ask, “Am I doing what’s most important right now?” Can you use certain events—the end of a quarter, the start of a semester—to trigger some reflection? Dating couples might use the occasion of attending a wedding to check in with each other about where their relationship is headed.
- **Set a tripwire.** What’s something in life that you’ve always assumed you will do someday but haven’t yet started? Can you set a tripwire to make sure you don’t miss the chance? If you fear you’ll never make the time, go public with your desire so that your friends and family will help pressure you to move. Or if you fear that you’ll waste too much time or effort pursuing it, give yourself a strict deadline and budget and go for it!

Guidance to make you a better decision advisor

- **Bookend the future.** Because we're so poor at predictions, we need to treat the future as a spectrum of possibilities, rather than as a single "point" that we can plan for. Ask people: What are the top two or three factors that determine whether you end up closer to the upper or lower bookend? (For Brian Zikmund-Fisher, the bone-marrow transplant patient, these factors might have been: the experience level of the hospital and the health of the patient). Ask people to brainstorm about how they might influence those factors in a positive direction.
- **Use a safety factor.** People tend to be overconfident. They think their plans will go more smoothly—and unfold more quickly—than usually happens. Probe to see if they can prepare to be wrong by giving themselves a buffer. Can they build in some extra slack in the schedule? Can they keep some powder dry in their budget in case things go wrong?
- **Set a tripwire.** Imagine that your organization is someday used as an example of the "frog who doesn't jump out of the pot of boiling water" cliché. You got stuck in a slowly changing environment that eventually killed you. If that were true, why would it be? What industry forces do you need to keep an eye on? Can you encourage your team to set the right tripwires?
- **Use "pattern-matching" tripwires.** Pharma companies have learned to capitalize on unexpected opportunities, such as those that led to Rogaine and Viagra. Can you provide a label for the kind of pattern your colleagues and employees should watch for? (For instance, if you wanted them to keep an eye out for customers who are particularly zealous about your product or service, you might say, "Pay special attention to extreme users.")

CONCLUSION

Core Ideas: The most important tools to keep in mind

- Try bargaining.
- Deliver procedural justice.
- Trust the process.

- **Deliver procedural justice.** Consider how people will feel about the justice of your procedure. When you make a decision in your organization, take Dave Hitz's advice and acknowledge its weaknesses. Explain what you'll be monitoring afterward and what might make you change direction. Your colleagues will find this reassuring, not alarming.
- **Deliver procedural justice.** Procedural justice requires that people feel heard. Work hard to articulate their argument clearly, so they know you're "getting it."
- **Try bargaining.** We beat back many of the villains of decision making by respecting multiple perspectives. If people are making a choice that requires trade-offs among the interests of multiple groups, push them to consider bargaining. It may be hard and laborious upfront but it will accelerate implementation. Soften the pain of horse-trading by reminding people that it yields thoughtful decisions: "I think we've come up with some good ideas here that none of us would have come to alone."
- **Trust the process.** Celebrate the process rather than the outcome. Your colleagues can't control whether a given decision will be a failure or success, but if they do their "due diligence," they will tilt the outcomes in their favor. And they should feel proud that they've done everything that's under their control.



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Chip Heath is the Thrive Foundation of Youth Professor of Organizational Behavior in the Graduate School of Business at Stanford University. Chip has spoken and consulted on the topic of “making ideas stick” with organizations such as Nike, the Nature Conservancy, Microsoft, Ideo, and the American Heart

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