

Module 5 ~ Risk Decision-Making ~ Video Narratives

Introduction

Hello, and welcome to module five...risk decision-making. Now, if you've been following a logical sequence through the positive risk-taking materials... then you've come to module five having developed your risk mindset in module one... looked at how we work with risk... analyzing and evaluating and assessing risk, in module two... we've talked about how we with and collaborate with people in module three... and then counterbalancing the negativity of risk... module four focused very much on working with strengths.

Risk decision-making brings all of that information together in, what I think is, the most crucial aspect of what we do when we're working with risk... It is about making those big decisions... and positive risk-taking is certainly at the forefront of defining and guiding how we can make very challenging decisions.

This module is drawing all the previous information together... providing you with thoughts and ideas... and also resources... to help you to manage the way that you make these decisions... how you apply a structured approach to decision-making.

Let me start off by suggesting to you, that decision-making is also at the heart of everything that happens every single day... So, whatever field you're working in... whatever role you perform... you are going to be engaged, several times, almost constantly, day by day, in exercising choices... which ultimately means that we're making decisions... Let's take health and social care as an example... which, along with brain injury case management, is my particular background... In any one particular day, we could be thinking about decisions...

a whole range of decisions... that will carry different degrees of risk... It could be about how we make arrangements or rearrangements with people that we're working with... how we respond to them when they're experiencing a crisis... how we support people to develop plans around the care and support that they need... Coming back to simple decisions about where, when and how we might meet a particular client or service user.

Then if you're in a managerial role... you might well be thinking about staffing cover for the work that's needs to be done on that day... The appropriateness of particular treatments or interventions with people... Then of course, there's that challenge and issue of how we explain our course of action... explain our plans to the relevant people... whether that's the client, whether it's family members... whether that's your colleagues, or people in other services, other agencies, other teams... Coming back to a managerial role... you may be a supervisor... You're supervising colleagues... you're working with colleagues... you're guiding colleagues... perhaps you're involved in meetings. And there's that decision about, do I make my point in this meeting... or also there's the other one, which is... knowing when to cut your losses, walk away, don't get involved.

So, every moment of the day involves making choices. It involves decisions before we get into thinking about the major influences on the way we go about making decisions.

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I've mentioned blame in some detail back in module one... So, it's important just to, to come back to that very briefly... again, many of the decisions that we make... and that could be hundreds of them in a day... they're relatively quite simple and straight forward.... The vast majority are very simple... they involve little conscious process, and by and large, they're not going to, or we don't expect they'll produce serious consequences... even if they do go wrong...

However, because we have experience of a blame culture... to different degrees... then some of the decisions that we make... particularly if they go wrong, they will be very intensively scrutinized... The danger is that, as we see from the slide... is that we could fear the consequences of decisions going wrong, much more, than we think about how do we move forward, taking constructive, positive decisions... getting things right? And if, if we've skewed that balance more towards being worried about decisions going wrong... then we will naturally be more cautious... We will naturally be more risk averse... We will naturally attribute more weight to that side of our thinking... about the potential for things going wrong.

As I've mentioned in other modules... that results in a risk averse... a cautious decision... But, this will be the right decision, if it's been carefully thought through... But it's not the right decision, if it's only based in a fear... a fear of things going wrong... and it's not been really thought through in terms of the context of what the actual decision is about.

Hence, the important messages from module four... working strengths.... Are echoed here on this slide... our decisions need a positive strengths-based counterbalance... Looking at negative negativity of risk is one thing... but we're also counter balancing that with the positivity of a strengths approach.

I'll just leave you to ponder that one for, for a moment.

Quotes

You know by now that I like to tickle the brain cells a little with a quote or two... so here are a series that are selected... hand-picked... to get you thinking about decision-making... you can actually respond in your own way to the messages conveyed.

Where better to start than with Mark Twain... when we're looking for some interesting quotes. He suggests that... good decisions come from experience, and experience comes from bad decisions... I like that one... Firstly, it's talking about the importance of experience... and, as I've already said in the introduction... decision-making is part of everything we do... It's integrated into all of those experiences across every single day... But I also like this quote, because again, it's getting us to reflect on the fact that things will go wrong... but we learn from these experiences... That is genuine experience, and perhaps... there's the cliché... that we learn far more from the mistakes we make, than we do from getting things right? So, experience... and particularly those difficult experiences...

uncomfortable experiences... are things that really do help us to think about our decision making...

The way we go about making decisions will influence to a great degree, perhaps, in some situations... our future decision-making, and whether we are open to change the way we think about choices that we really want to take.

NEXT SLIDE [IMAGE]

There's a particularly gruesome image... What kind of negative experience results in you ending up swallowing yourself? There is quite a startled look... perhaps perplexed by the whole situation, and what's happening... Again, hopefully, if you survive this kind of situation, it's an experience that you're going to learn from... I guess... maybe!

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Moving on swiftly to another quote... Scott Adams suggests that... informed decision-making comes from a long tradition of guessing, and then blaming others for inadequate results.

This one, instilling a bit of humour into our thinking, into our reflections... interestingly enough... what I like first of all, is that it's about 'informed' decision-making... based in information... But this notion that, actually, we don't have a great deal of scientific basis or great big evidence-based for a lot of the decisions we're making... There is a degree of guesswork... That is an important message to always keep in mind.

But then putting the humour to one side... we operate, we function, we live, we work within what can be loosely called a blame culture... Society is very quick to try to point the finger of blame when things are going wrong... And what Scott Adams is suggesting is, having really just based everything that we're doing on guessing... perhaps it would be better for us if we also get the blame in quicker... get the blame in first, before others do.

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Dodinsky suggests that we should not plant our dreams in the field of indecision... where nothing ever grows, but the weeds of what if... what if, those regrets... indecision being the important message here... getting caught in not being able to decide one way or the other.

In fact, indecision will be a theme across the next few quotes as well... But not planting our dreams in this whole indecisive place, because ultimately the message here is... we will constantly come back to regret the fact we didn't make decisions... We weren't clear and decisive enough.

NEXT SLIDE

Maimonedes, a Jewish philosopher from centuries back, suggests... that the risk of a wrong decision is preferable to the terror of indecision.

There's that theme again of indecision... and the suggestion here, it is better that you tried, you made a decision, it turned out to be a wrong one... but that is still far better than just being trapped... going back to the regrets again... trapped in this terror... that's a powerful word in... not being able to decide at all, go for it, give it a try.. things will go wrong... We can always double back and re-decide... depending on what the circumstances are... But this terror of indecision is an important message to always keep in mind

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Will Rogers, an actor in the United States many years back... suggests, that even if you're on the right track, you'll get run over... if you just sit there...

So, there's an important message about movement and change... when we're thinking about decisions... even if we are in the right ballpark... it is about making decisions that help us to take that next step... moving forward.

Don't just sit there... Don't just feel self-satisfied... that we're kind of generally in the right area... Again, it's about being decisive... and there's that message about the terror, the fear, the regrets of indecision... which underpins quite a number of these different quotes.

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The Irish writer, Brendon Francis says... that some people are very decisive... when it comes to avoiding decisions... This one is dear to my heart... because I'd have to say, let's own it as well... ownership, yes... I've been in the situations of avoiding decisions... I've certainly observed it in a whole range of team meetings that I've been involved in, observing, reflecting on, supporting the development of teams.

This notion that it's so important to have democratic decision making... We all come together... We all sit around... we all share the information... we all decide... Well, actually, quite often, when that decision is a challenging one... it can become the place, the arena, where we can keep passing the buck... keep pushing it around... Hopefully somebody else will make the decision.

Ultimately, we're all trying to avoid that very uncomfortable, difficult moment... when a decision needs to be made.

NEXT SLIDE

William B Given... suggests... that, when possible, make the decisions now... even if it's in the future, that we will be taking action. A review of a decision usually is better than one reached at the last moment... Now I'm sure, for some people, they thrive much more on leaving everything to that last moment... when there can be no further deliberation... you've just got to decide. But by and large, I'm not going to say that that's the best way of making decisions... particularly some of those bigger challenging ones... So, William B Given is suggesting to us here, that it's important to make decisions early... particularly if we're not having to act on them just yet... because we can absorb new information... we can

reappraise... we can change... we can review the decision, as time's going on... You will not have that luxury, if you've left it to the very last moment... So, something about making decisions... even if they're provisional ones... do it now, rather than wait for the last minute.

NEXT SLIDE

Johann Wolfgang von Goethe said... there's nothing more frightful, than ignorance in action.

Again, there's the danger that for me that comes out of this, is that... some people do put the blinkers on, and are not really open to a wider range of information... They've decided on an action... they've made their decision... and won't be budged from it... Ultimately, the message here is that it's ignorance that is leading that decision... It is action that will emerge out of ignorance, rather than good qualitative reflection.

So, there is nothing more frightful than ignorance in action... but encouraging people, I'll come back to the theme again of collective decision making... involving people... only the relevant people... not just for the sake of casting the net far and wide... but the more realistic people who have, let's say a stake in the decision... and can inform the decision... the more we involve them... the likelihood is that there'll be a better quality supported decision at the end.

NEXT SLIDE

Tony Robbins, a motivational speaker from the United States says... if you do what you've always done, you'll get what you've always gotten... Spoken like a true American... it's always interesting to see English phrases bent out of shape to feed the US market! Sorry, I'm going off on an unnecessary tangent there... The important message here is again... being open to other sources of information... being open to change... don't stay stuck in what is perhaps, safely in your comfort zone... feel enabled and supported to stretch yourself... go out and push at those boundaries... That's where we thrive, and advances will be achieved in some way.

NEXT SLIDE

Lastly, as far as this range of quotes is concerned... another motivational speaker from the United States... Dennis Waitley said... life is inherently risky... there was only one big risk you should avoid at all costs... and that is the risk of doing nothing.

Again, we've got that theme of indecision, perhaps here... but I also like this one because it reflects a quote that I've used several times in other parts of the positive risk-taking course... one of my favourites... if you don't risk anything, you could risk everything.

There's a similar reflection in the messages here... Life is risky... We need to take risks... just staying there doing nothing... not changing anything... is an extremely risky way forward.

NEXT SLIDE [EXERCISE]

Spend a few moments reflecting back over these quotes... and write down any gut reactions, thoughts, that they inspire in you.

The, before moving onto the next presentation... check out the pdf document '6 Influences on Decision-Making'.

Systems 1 & 2

How do we make decisions? I'm gonna talk about a range of different types of influences that work on us, when we're thinking about how we go about making particular decisions... Daniel Kahneman and Amos Tversky... these are key players in shifting our thinking...

NEXT SLIDE

... because, previously, the psychological focus of attention had been much more on the rational side of the mind... but back in the late seventies, early eighties, what Kahneman and Tversky did was to revolutionize our thinking... by focusing more on the intuitive mistakes that we make... and how they link, or don't link, to the logic... to the rational side of the mind... It was a whole new way of thinking. I'll come onto those systems in a moment... where this emerged from, was studying things such as puzzles... it sounds simple, but again, what psychologists do, and the economists here, what they do, is very much about setting up particular kinds of exercises...

Daniel Kahneman reflects, in a more recent book, about the example of New York cabbies... he was looking at, to what degree they were out on the streets on rainy days... as compared to the degree that they were out on the streets on sunny days.... It turns out to be the latter and what that tells us about people's thinking, and what influences their thinking... and it's not just about the cabbies, but most of us... is that, our primary aim is to 'prevent loss' rather than actually focusing on 'maximizing gain'. That's an important message, that, by and large, our decision making is rooted in how we prevent losing... rather than being rooted in how we maximize gaining...

Again, some of the classical psychological tests at the time, focused particularly around the idea of intuition... There was one classic example, where profiles of individual people were, you know, just basic sketches of who they are, the kind of person they are... was set out... and against each profile, there were two very contrasting, very different jobs. And you're asked to guess which job this person is in... What we find is, from the messages that emerge, is that we rely on intuition... we Intuit from that profile... What we're not doing, is making our judgements based in evidence... The first finding is that intuition can quite often be erroneous... and that these mistakes are not accidents... they are biases, that we hold... kind of systematic errors that we make... and I'll come back to some of those a bit later as well.

Basically, some of the best evidence about the working of our minds comes from when we get something wrong, rather than when we get something right... And that's what they were trying to study in much more detail.

We have particular problems with our ability to pay attention... our attention is actually quite limited... And there's another experiment, another kind of puzzle in a way, that was set up to try and concentrate very specifically on people's attention... and what this experiment was, was getting people to run around a circuit... to run the circuit, but you're chasing somebody that's just up ahead of you... The task is to try to catch them, while running around a defined circuit... but partway around the circuit... they then set up a stage-managed fight between two or three people, almost like a robbery going on... It's within the line of sight, but it's just off the track, over to the right, as you'd be running... What they actually found with the vast majority of people, having been asked to really focus on this person ahead of them, that they're chasing and trying to catch... that at the end of doing the circuit, when they were asked, did you see a fight going on? Or did you see anything unusual while you were running round the circuit? Most people said, no, they didn't... Despite the fact that it was in their line of sight... and this is something that they call inattentive blindness.

We don't have this wonderful scope of attention that we can be providing to a whole range of different stimuli... We tend to narrow our focus down on one particular thing... Out of this emerged... what we see on the slide... is Kahneman identifying systems one and two types of thinking... a battle emerges between intuition... and logic... I just want to explore those in a little more detail.

Next Slide [Reference]

But before I do... here is the definitive book from which so much of this wisdom emerges... Thinking, Fast and Slow...

NEXT SLIDE

System One... if we're thinking in terms of fast and slow, then... system one is mostly fast... It's automatic, it's effortless... and it's actually responsible for most of what we do, and the stimuli that we respond to... So, it operates automatically and quickly... It takes little effort or control on our behalf... It's the system that covers most of those very simple daily decisions... Thousands of them, that we're doing without conscious thought... it's intuitive in its response to processing information... And by and large, it's focused very much on the feeling element of our decision-making... our feel' our intuitive feel for what's right or wrong... or the direction to take.

NEXT SLIDE

System two of thinking fast and slow... this is the slow, more deliberate, logical, rational system... This is what we think we are really about... but in fact, most of the time, we're not... We like to think that we're rational... we think that we think things through, when we're making decisions... Whereas in fact, we probably do tend to use much more system one than we are prepared to acknowledge ourselves...

So, in system two, we're talking about attention to effort, for mental activity, complex computations... If I'm going to ask you what two times two was, you could use system one...

and pretty much everybody would give an instant answer, of four, straight away... If I was to ask you what 17 times 24 is... this is very different... a much more complicated challenge... There are very, very few people out there would be able to say 408 to me straightaway... I know... I'm not one of those people... I checked it out on the calculator before putting this presentation together! But you get the message... system two is a lot slower... it presents bigger challenges... These are our more challenging decisions, that we have to make... It takes deeper analytical thinking... we have to draw on particular types of strategies... Ultimately, we focus on reason, when we're using system two ways of thinking.

NEXT SLIDE [IMAGE]

There's an image for you... If we want to look at how systems one and two... how they're battling together... we have this beliefs element of system one... then we apply system two to it... in terms of reason... There's a battle that's going on... driving our decisions... And because there's this battle, we can often make mistakes... But you don't want to making mistakes where this kind of image is happening... Having said that, system one looks at this and says... hey, hang on... that's not a good thing to be doing... You do not want to be sitting on a ledge, some 30 or 40 stories up, on the top of a building... However, if system two was to kick in... then maybe, it would be saying... let's just pan that camera back a bit... Let's take a picture of the broader context of what's happening... And we may find that this person is on the ledge, firmly gripping the railings around the top of a building... Still... system one should be saying... hang on, this is a bit dangerous... not really sure we should be doing this...

But, it's not quite the same as perhaps our initial gut reaction to that image on the screen... Perhaps system two then enables us to see, that this is a person who's about to abseil the building... in fact, they're already very rooted to the building itself... and in preparation, they're just sat on the edge, just taking in the view... before they get on with the task of abseiling down the building.

It's about how systems one and two interact with situations that confront us... So given an image like this... we can think of it in different ways... whether they were operating by system one alone, or whether we're bringing system two in... to try and reason what it is we're seeing... and what might be happening.

NEXT SLIDE

Switching from Daniel Kahneman and Amos Tversky... somebody else has focused the way we think... Dr. Mona Riabacke has come up with, what I would call, something like a taxonomy, of three different levels of certainty, risk and uncertainty.

Certainty is where, each action is known to lead invariably to a very specific outcome... we're absolutely certain... the decision's quite simple and straightforward to make.

Then, we can add a degree of complexity, and the situation becomes more of a risk... where each action that's possible, could lead to a set of possible specific outcomes... but each, with its known probability... but we're still looking at a range of different possible outcomes... it's not absolutely certain... We've upped the ante a bit... we've increased the level of

complexity... we've introduced some level of risk... That's going to challenge our decision-making slightly.

Then, if we're thinking a little bit more about a higher level of complexity... then I'm going to suggest that you need to start thinking about uncertainty... This is where actions lead to a set of consequences... where the probabilities of these outcomes are completely unknown... completely unknown! We still have to make decisions... but now, we're in the realms of real challenging stuff... I'd say, positive risk-taking covers the risk, and covers the area uncertainty, of what's presented here on the slide...

But, it's that challenge of uncertainty that is a very important one... Riabacke suggests that, functioning within these options... a situation is seen as being more risky, where the outcome is unknown.. and this uncertainty could lead to decisions that go wrong... So, risk decision-making, I would suggest in this context... is a skill for providing or searching for further sources of information... that will help to contribute to us reducing that level of uncertainty, wherever possible... That's the challenge that would be presented in these circumstances to us.

NEXT SLIDE [IMAGE]

There's a picture of risk and uncertainty for you... Wow, would you do that? Clearly, we don't know the circumstances behind what this picture represents... but it kind of helps us to think, there are situations where we've got to take a leap of faith... that it's not absolutely clear, what it is that's going to happen in this uncertain world... If I take this next big step... even though I'm blindfolded... do I have a blind belief that there is a bridge there? If somebody else has guided me... I'm very unclear and uncertain about the whole situation... but somebody else has a much higher degree of certainty... and, I've got to put my faith in them... and then take step forward.

It's an image that I've thrown in here, because it really does capture that kind of sense of [intake of breath]... the risk... the uncertainty... But, at times, we do need to still take that step forward.

NEXT SLIDE [EXERCISE]

Reflect back on the messages here... about Systems 1 & 2 ways of thinking... and how they relate to your work. Where do they sit separately and specifically... for me System 1 in my brain injury case management work, often supports how I relate to specific client's... maybe the language I use that best engages with them and they way they communicate... System 2 is definitely needed in the Immediate Needs Assessment and 6-monthly complex case management reporting tasks.

A combination recently arose, where a client was talking about suicide... and my immediate reaction is to focus in on that word because of my overall picture of her vulnerability... However, System 2 thinking kicked in fairly quickly... as I was taking my Rule No 1 in crisis situations, of take a step back... and I could see a wider picture of a call for help, but also of the apparent adequacy of the monitoring and support system around this person in the

meantime... I felt I had time to consider possibilities of how best to respond, rather than being drawn into immediate restrictive thinking, that could have consequences for damaging what is, occasionally, a fragile working relationship.

Intuition

Staying with system one, the fast way of thinking... let's focus on what we know... or what we think... about this whole idea of intuition.

NEXT SLIDE

I'm going back to some of the thoughts of Daniel Kahneman again. and his recent book... In this, he describes intuition as knowing, without knowing, how you know.

And I think, very basically, that seems to capture it pretty well... He reminds us that intuition has a place in informing decisions... but it can't immediately be explained, to the satisfaction of others, if it was put under scrutiny... So, there's something we know... but we're not sure why, or how, we know it... It's based in experience... we just can't pinpoint that experience.

If the person says... where's the evidence... now, immediately, that's the challenge that we're having to work with, to a particular degree, if we are going to put any store in the concept of intuition.

You will see, in this module, a pdf document entitled 'Intuition'... the content emerged through a lot of my own practice development work... particularly with health and social care services... I was focusing both, specifically on intuition... what it is, how we can use it, how we can document it even... but also most importantly, how we need to treat it with caution... I always think of it as being that alarm bell... saying to us, we need to try and find out more information... Like I suggested earlier, we've got to try to find more information to help us reduce the levels of uncertainty... Well, similarly with intuition... we have an intuitive feeling, but, can we find more information that would help us to build up a clearer picture of what, what it is, that we're working with... and where that intuitive feeling is coming from?

You'll also see from this slide, a reminder from Kahneman about the need for caution... with a statement that... True experts know the limits of their knowledge... on the other hand, many pseudo experts have no idea that they do not know what they're doing.

And that's quite an important message to take into account... He suggests that the pseudo experts actually create illusions of validity... because they hold very high degrees of confidence in what, ultimately, tend to be unfounded intuitions... What they do is, they work with the concept of... what you see is all there is... and they ignore the fact that there's an awful lot more out there that they don't know, that they should be trying to draw into this picture, in order to support their decisions.

That's why there's a high degree of caution needed to be exercised, when we're talking about intuition, and how you use it?

NEXT SLIDE

Staying with the theme of intuition, Gigerenzer suggests... that if we stopped doing everything for which we do not know the reason, or we cannot provide the justification, we would probably soon be dead... That's quite a dramatic and terminal message for us... the message is strongly put because it is an important one... Yes, we do need to be making decisions where we're not clear about reasons... where we can't immediately justify them in a specific way. Gigerenzer does talk about interchangeable use of phrases... like gut feeling, intuition, hunch... but that these, by and large, are just types of judgements, that appear very quickly in our consciousness, without us being fully aware of the underlying reasons... though we feel strong enough to be able to act on those feelings.

So again, there's a theme emerging here, about what intuition is... but also, that we're going to be making decisions in uncertain circumstances, from time to time.

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Zweig focuses very much on financial institutions, and financial decision-making... And again, the caution that needs to be held, when we're making some of those challenging financial decisions.

Having said that Zweig says... intuition can yield wondrously fast and accurate judgments, but only under the right conditions... when the rules for reaching a good decision are simple and stable... It's an important message again, around intuition... that when the rules that we're working with, in a context, of a particular situation, are simple... and the rules of stable... then we can rely very much more on the accuracy of this fast, intuitive way of thinking... But, again, it's important to note, that intuition plays a role, but it needs to be reflected on... it should not be the sole basis of complex challenge and decisions... And Zweig goes on to say that, the best types of financial decisions are a mixture of what we identified earlier as being system one and system two... those intuitive feelings, but also the application of reason and logic to them.

NEXT SLIDE [EXERCISE]

Intuition can be a controversial influence on our risk decision-making... with some people pronouncing that you can only use, and document, factual, evidence-based information... Well, good luck with that restriction on your thinking... as my anecdotal evidence (Yes, I know that counts for nothing in the academic world)... is that virtually everyone I meet acknowledges that intuition plays a very significant role in their decision-making.

So, reflect back on the quotes, but also read the pdf document in the resources included in this module. Think of your own examples where intuitive feelings informed your decisions... what was that influence? How did you take precautions on how you used that influence? And then, give some consideration as to what ways you could document those influences, as part of your decision-making process... after all, if you use it, why shouldn't you have the confidence to record it!

Irrational Habits & Biases

What else influences the way you make decisions? Well, there are irrational habits and biases... particularly identified in the psychology literature.

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You just need to start to reflect on your own life... how do you explain those times when you've been involved in impulsive spending, for example... or, trusted the wrong people... or failed to see the other person's point of view? No... just me then! How about when you succumbed to temptations... There's a range of things there, in everyday experience, that we would have all experienced from time to time... Do we stop and really look for explanations, as to why we do what, actually, on the surface, looks to be pretty irrational?

Well, it's largely because there's a series of biases that end up exerting an influence on us... that we buy into... and this is another area that's been studied... that helps us to think about how and why we make decisions.

NEXT SLIDE

I'll start off by thinking, first of all, about confirmation bias... This is, as you'll see from the slide... cognitive ease... what we do is, we just look for the information that confirms what we already think... what we already believe... We search for that evidence... but we already have some existing beliefs... we feel wedded to them... we feel quite strongly about them.

So, we'll feel even more strongly... we'll actually feel nice to ourselves, if we draw in information that just confirms... Yeah, you're right, I'm right... it feels good... The trouble is, that within this notion of confirmation bias, we can focus too much on what are, quite odd, different, or even unusual situations... We place too much weight on the probability of unlikely events actually happening... we overestimate rare events... So, there's a danger... and I'll come back to it later, I'm sure... that within, circumstances where something goes wrong, and inquiries are held... that the amount of attention, publicity perhaps, that's given to these particular events, almost blows them up out of proportion... that it feels like they're the norm, rather than the rare event itself.

So, this notion of confirmation bias... it's actually where I found, from some of the literature... It was really tested out, worryingly so, to a certain degree... it was in the intelligence services in the United States, a number of years back, that a particular exercise was conducted... It was a deliberate exercise, that was set up... a classroom exercise bringing together 12 people... As it turns out, eight of them were terrorism analysts... people whose whole job is there to be analyzing information, about the potential of terrorist's activities taking place... And there were also four complete novices, who don't do that kind of work at all... They were given a whole series of information... gradually accumulated information about people, about situations, about events, about places... And ultimately, they were being asked to determine who was most likely to be the perpetrator of a terrorist event.

Why I said at the beginning, it's kind of a bit worrying, is that, only one out of the 12 people got the right answer at the end... And, yes, you've guessed it... it was one of the four novices... None of the eight experts got the answer right... Worrying maybe... but again, the importance of these kinds of exercises is, at least it allows us to identify that confirmation biases exist and have a potential to strongly influence our thinking, whoever we are, and whatever our role... That's, it's very important... it even affects experts... And, if we know it's there, then we can train people to be more aware of it, manage it, manage it out of their thinking... manage it out of the situation a bit more.

That was a good exercise that was put together, to really bring home the fact, that confirmation bias will influence even so-called experts, in their specific area of expertise.

NEXT SLIDE

Then there is our old friend... hindsight bias... This is an interesting one for me, in terms of the number of times I'm working with teams and groups of practitioners... And we're thinking about those rare events... when something has gone wrong... the decision has gone wrong, and inquiries have been held... All of a sudden... all of these experts come out of the woodwork... and they are only experts, because, as it says on the slide there... that they are analyzing the situation in the knowledge of what the outcome was... with the benefit of hindsight... Well... we're all experts when we look at something in hindsight... That's one of the dangers that we need to be aware of... the bias that actually creates contradictions of what we originally were working with and seeing.

So, in terms of all being experts... let's give some thought to, yeah, I suppose it is one of those fears that plagues so many practitioners... the fear that something will go wrong... and as a result of hindsight... blame will be apportioned... It does become all-too-easy to claim that their decision must've been a failed decision of sorts? Well, what we see... the danger of this hindsight bias from the slide there... is it shifts the attention away from the quality of the process... the quality of the thinking... the quality of the structure that goes into the thinking of a decision... and it shifts the attention away to concerns for possible outcomes... particularly negative outcomes.

Again, it echoes what I was saying earlier... that we focus more on the fear of things going wrong, than we do on our abilities to get things right... That can't necessarily, in all situations, be the best way of thinking... the best way of approaching decisions.

Our good friend, Daniel Kahneman again, is the person that's reminds us on this slide... that hindsight bias has not been very helpful to decision makers... because as a result, we're very quick to blame decision-makers for what were good decisions... honest and truthful decisions... that just happened to work out badly... And that will happen from time to time... But we'll still blame them for that... And, on the flip side, we give very little credit for successful decisions... things that went right... that appear obvious, but only after the fact... not at the time when the decision was being made... at that point it was a challenging decision... it was difficult... It only looks obvious afterwards... the success looks as though it just emerged, because that was easy and straightforward to do.

And that does present big problems for us... because again, one of the messages that emerges, is that, as a result of adopting this hindsight bias... one of the dangers is, that we can end up just focusing more on bureaucratic approaches to decision-making... and I'm never a great fan of the bureaucratic approach... the one size fits all... that has to be applied.

NEXT SLIDE

Cognitive biases... again, there's a whole range of things here, that will tap into our irrational beliefs... beliefs that become fixed in some kind of way... What we need to be thinking about, is a whole range of different cognitive biases, ways that we think... The first one here is this idea of a concept of relativity... What that means, basically, is that, when we focus in, and we really like somebody... we tend to apply thoughts about everything around them as being equally as important... Ariely... I was trying to think of a person, in the literature, who has drawn particular attention to these irrational influences... Ariely talks about how, again around this concept of relativity... we not only tend to compare things with one another, that are not really comparable... but we are also very good at avoiding comparing things that are actually not that easy to compare at all... And, in the literature, Ariely also identifies how, in terms of relative value, we put more focus on that, than we do on absolute value. in certain circumstances... and that explains why we buy particularly into the buy one, get one free, offer that we see in supermarkets... even though, quite often, it's not something that we really want or we even need... but it's an irrational response... an emotional arousal that's been triggered in us by good marketers... the advertising industry being very good at feeding our perceptions... dressing things up... packaging things... marketing things in very smart ways, with slick names... and then taking our money off us... charging for it.

It's a kind of similar thing, in health and social care services, and a whole bunch of businesses, that buy into their own jargon... and they'll focus very much around the kind of jargon that is important to them, that they understand... but it actually excludes other people.

Then, if I focus on this law of similarity... and I'll go to Dan Gardner... who's wonderful book: Risk: the Science and Politics of Fear, that was published back in 2009... He talks about this idea of the law of similarity... giving, as an example, the phrase...if it looks like a lion, it is a lion... And again, it's that... cognitive ease... going for the easiest route... it, kind of, vaguely looks like what I think it is... so therefore, it is what I think it is.

Alongside that, goes the rule of typical things... also identified in some of that work and writing by Dan Gardner... where we rely too much on our own assumptions... What we think, is typical... and then we draw other things in, to be categorized by us, in the way we typically see things...

The halo effect... that's one again, where we like a person... and then we kind of project this feeling on to things more widely around them, or people around them, or things that are important to them... Just because we like them... doesn't necessarily mean, that we should apply the same level of feelings to everything else around them... or other feelings or ideas that they hold... But, we create this kind of halo.

The example rule... again, going back to Dan Gardner... is that, we increase our belief in the possibility of catastrophe, if we've just been involved in discussing, let's say, Chernobyl back in the 1980s in Ukraine, or Fukushima more recently in Japan... if we're involved in those kinds of discussions, then we draw conclusions that nuclear power is necessarily a bad thing... Likewise, if we see a disaster movie... we kind of believe much more in the likelihood of catastrophes happening for a day or two after... because that's primarily what is there in our conscious thinking at the time.

And last, but not least, the influence of the herd... how many of us really are strong enough, confident enough, to stand out against the overwhelming beliefs of a group of people around us... or, do we quite often, even though we kind of hold a sneaking suspicion, maybe that intuition... that we should be thinking something slightly different... but, because everybody else is thinking the same way, maybe I should fall into line... maybe I should follow... maybe there is more rational reasoning behind what they are saying... and I should just adopt that.

NEXT SLIDE [EXERCISE]

As I draw this particular presentation to a close... I invite you to reflect on how some of these habits and biases may have influenced your thinking... and the decision-making of you and colleagues... Then read the accompanying pdf document... 'Decision-Making Traps'... and note any practical ways you, and your colleagues, can think of in attempting to avoid falling into the kind of habits, traps and biases outlined.

A Structured Approach

The idea of a structured approach to risk decision-making is, perhaps... the keystone of the whole positive risk-taking course... The transformation, promised in the title... is, to provide something, that guides and supports confident risk decisions... An approach that is light years away from the traditional tick-box risk assessment formats, beloved of so many regulators, auditors, managers... and anyone else not directly doing the job.

NEXT SLIDE

Having said that... I'll start with what I feel are useful suggestions from the Health and Safety Executive... They recognize that, there are difficulties, there are complexities in risk decision-making... but, that, at the turn of the century, back to 2001... they advocated very strongly that we need to manage these complexities, by having, carefully identified processes in a way... And, here are a number of things they identified, that were needed, in terms of good regulation... I mention these now... because my following practical solution needs to ensure that it meets these types of tests.

You'll see from this list, that the first item is about targeted action... that is, we should focus on the most serious risks, or focus where the hazards need greatest control... So, something about 'prioritizing' within this targeting of action.

Then there should be consistency... We should adopt a similar approach in similar circumstances to achieve similar ends... Be very consistent in our regulation... very consistent in our approach to very similar types of decisions.

Proportionality... which is about requiring action that is commensurate to the level of risk that we're naturally working with... Not cracking a nut with a sledgehammer would be a relevant cliché there....

Then there's transparency... being open about how decisions were arrived at... showing your workings... as it would be said, if you think about maths back in school... But also showing very clearly, your consideration of the implications of decisions... being transparent about how you thought about the consequences.

And last, but not least... accountability... being confident and clear, for all to see, about who's accountable... including, when things go wrong... I will come back in a following presentation to say... that does not necessarily mean we should just support the idea of a blame culture... far from it... but clear accountability, within supportive structures.

Following on from that Health and Safety Executive example... I would like to go on to remind you of the importance of 'risk formulation'... as discussed in Module 2: Working with Risk... This is an idea, or the concept of formulation, which very much emerges from the work of many psychologists... they use 'formulation' as a process to engage and test out their hypotheses... and I'm adapting the phrase into 'risk formulation', to apply this way of thinking very specifically to risk decision-making.

Good practitioners will focus attention specifically on the bridge between what they've assessed, and how this informs the subsequent plan... which is what will make it a very personalized process... And this bridge, between assessment and plan... depending on the range of, the degree of complexity of, the risks involved... this bridge may be referred to in a number of different phrases... It can be summarizing the situation... It can be a critical analysis of the information... It can be about our clinical reasoning... or, ultimately... it can be about formulation.

So, what is this notion of formulation... particularly for applying it to risk? I would suggest to you... it's about developing those 'why' questions... that will help us to disentangle complex information about a person, a person's experiences, a person's risks... Psychologists will say, it's then about developing an hypothesis from the assessment... and testing that hypothesis... but, it is also about being open to changing your initial ways of thinking, as new information comes to light... that you're nimble and flexible enough to see these different connections... when this information emerges.

You test hypotheses out... as to what you think might happen... while being open to see that those hypotheses may not be rooted in reality, ultimately... And so, formulation, or risk formulation... is very much about identifying thoughts and intent... thinking about signs of things going wrong... the risk factors, the emotions that contribute to, let's say, elevating a risk in very specific situations... And it's about balancing these with the protective factors that I also talked about in Module Two: Working with Risk... Balancing risk factors and

protective factors... Remembering, that the protective factors are what diminishes or mitigates against the risk...

Risk formulation is be seen as a longitudinal process... It's about looking at a person's history, and influences... what's happened in their past, that we might also be seeing in the here and now... that could then influence future behaviour.

And, ultimately, we're looking at interpreting, or identifying, to start with... interpreting for the individual, what their particular cycles or patterns of thoughts and feelings and behaviours are all about... As a person, practicing formulation, or a group or a team... it is about letting go of preconceived fears or ideas, about a person... and developing an understanding of what it is that could elevate or diminish the risk in a person's life... looking at their psychological, or social, their medical backgrounds... balancing all of these different factors and influences... It's very much about shared communication... Going back to Module Three: Working with People... this kind of flexibility in working methods is vitally important.

Then the last point on this particular slide, is about a risk decision-making checklist... which I'm offering you as a pdf document resource in this module... This is the culmination, in a way, of all the information throughout the modules of this course... This particular risk decision making checklist, is something that emerges from my own experience, my own decision-making... myself, individually, and in groups and teams of people... what I've observed when I've been doing training and practice development... focusing in on people and how they make decisions... And, equally importantly... it has emerged out of a number of years of detailed semi-structured interviews, with people from a whole range of different professions and backgrounds... specifically focusing in, on trying to get them, to identify how they go about making difficult decisions... That checklist is then brought together from all that mass of information.

This checklist will act as a guide, and a prompt... and you're required to follow it sequentially... in order to help you draw, in a structured way, the relevant information that will help you to arrive at a decision... One of the points, on that list, will also identify how to succinctly and clearly capture and document what the decision is... particularly with an emphasis on weighing up... going back to the definition of positive risk taking... it's about weighing up, the pros and cons of the different alternatives... A good decision must also state what the alternative was... A good decision is about the reasons for what you decide... It's also about the reasons why you didn't take the alternative choice(s)... So, this checklist is there, as perhaps, the most important resource across the whole of the positive risk-taking course.

NEXT SLIDE [IMAGE]

Before you look at that checklist... and I will outline it across a few slides... just to continue some of the things, some of the thoughts, some of the ideas, here's an image that represents a challenging decision... not quite sure what the goldfish is thinking, in making that leap... but it certainly wants to become a fish in a bigger pond... What calculations would you need to make... about the small bowl and the larger bowl, before you decided on that course of action?

NEXT SLIDE

A Structured Approach... points 1-5

NEXT Slide

A Structured Approach... points 6-10

NEXT SLIDE

Weighing up... in order to reason your decision

NEXT SLIDE [IMAGE]

A favourite... much used quote...

NEXT SLIDE [IMAGE]

Some of our most challenging decisions are going to take us 'to the edge', so to speak... this image represents the dangers we might have to be managing... but it also works as an image to remind us of the great degree of caution we might need to develop, when considering some decisions.

No amount of potential positive outcomes are going to persuade me to get in a barrel and go over the top of Niagara Falls! Which is an opportune time to remind you, of a message from back in Module 1: Developing a Risk Mindset... if you've followed the sequence of questions on the attached checklist... and the evidence clearly goes against taking the risk... then, Don't Take the Risk. A risk averse decision is just as good a decision if it is backed by a clearly reasoned process!

NEXT SLIDE [EXERCISE]

Use the checklist, and identify a current challenging decision, you, or your team are facing. Apply the questions on the checklist in the sequence in which they are listed... and develop your information, through to making a clearly reasoned risk decision.

Decision-Maker Qualities

There are a number of things that it would be important for us to know about decision makers... and perhaps, what acceptable decisions are about... These are the two ideas I will outline in this brief presentation.

NEXT SLIDE

So, this is about you individually... This is about your thoughts, about people around you, and other people that you identify as being decision makers themselves... So, a couple of

questions that I'd like you to ponder, to reflect on... are you, as a decision maker... analytical, for example... scientists, engineers... they would call themselves analytical people... or, are you, as a decision-maker more intuitive... for example, artists, perhaps... would focus more on the feeling for the situation? Are you more analytical... or are you more intuitive?

And alongside that... are you naturally an optimist... or, are you more naturally a pessimist... a worrier? Are you a glass half full person? Are you a glass half empty person? Again... depending on which you feel, or where you are on the whole range, that will influence how you go about making decisions?

NEXT SLIDE

Are you, or decision-makers around you... systemic thinkers... always looking for interactions... seeing things in 3D, in a way... interested in looking at the connections that come from different angles... or, are you a linear thinker... a linear decision maker... where you want to structure things much more in a sequence, and see the logical flow of events in their sequence?

Are you somebody, who is open to conspiracy theories... or, are you somebody that just accepts that you know, there are some historical accidents... it's just what happens, and it's not about looking for a conspiracy behind whatever an outcome is. Do you believe we landed on the moon? Or do you think, that, actually... that was all filmed, and staged on a set... are you that type of as decision maker?

NEXT SLIDE

Are you, blinded by ambition... and some of the biases that I've already reflected on... or, are you more open... thinking about learning in the situation, with the information when things go wrong... as well as when things go, right? Are you susceptible to that herd mentality... that I mentioned in the cognitive biases or not? Can you reflect back on situations where you've stood out, against what the majority view is... stood out for your beliefs back those up with concrete evidence... or, even in that situation that you felt... I'm outnumbered, I'll be ridiculed... it's just an easier life to go along with... even though I may not entirely believe it... but it's an easier life to go along with what the majority is saying.

And, ultimately going back to draw on the things that Riabacke was saying... in terms of certainty, risk and uncertainty... how do you, as a decision-maker, actually evaluate the risks in situations where there is this great uncertainty? How do you respond and work with uncertainty? Because, positive risk taking will quite often be characterized by degrees of uncertainty.

NEXT SLIDE

And then, what does an acceptable risk decision look like? What principles will help us to achieve, or define, what acceptable risk decisions are? Well, I'll just outline a few principles here... They should provide some form of relevant guidelines.... Whatever field of work

you're engaged in, it will be important to be able to refer to some principles that help to guide your decisions... particularly if big decisions that needed to be made, and there's the danger that something could go wrong, with the possibility of a subsequent inquiry... in line with that fear of the blame culture, as set out in Module 1: Developing a Risk Mindset. I've set out working with risk principles, and working with strengths principles, elsewhere in this course... and these should be able to underpin your confidence with a rationale... something that guides and supports what you're doing.

NEXT SLIDE

Making difficult, challenging decisions, acceptable decisions should follow a structured approach... and I've already identified it... and provided you with a structured approach in the previous presentation... a resource in this module... Others may be available on the markets... but it is about how you can identify, draw on, and reference, in a way... a recognized structure that you follow... in order to arrive at particular decisions.

NEXT SLIDE

Acceptable risk decisions should be based in the best information that's available at the time... Now, this again, is a very crucial message... We all make decisions... at times, when we have inaccurate, or even inadequate information... we don't have the full information... we don't have the full picture... we can't complete the full jig-saw puzzle! Things might still go wrong... There might well be an inquiry... And, sadly, when there is an inquiry... a whole raft of information, that you didn't have access to, might suddenly become available... So, the person conducting, or the people, the panel, conducting the inquiry... will now have access to information that you didn't have access to that at the time... Now, this isn't a message supporting complacency... it's not a matter of... oh, well, I can't be bothered if I don't already have the information... No... we should always do everything we possibly can to search for information... but time is of the essence... and we still have to make decisions, on occasions... even with that inadequate information.

So, I do say, that it's vitally important just to add a brief phrase... that includes the sources of information you had, available to you, at the time, that you made the particular decision.

NEXT SLIDE

Acceptable risk decisions need to be clear, succinct, and accessibly documented... not spread out over bureaucratic forms, that really don't help us... don't communicate information in an accurate and realistic way... And, certainly not wonderfully crafted and then hidden away, where the relevant people have no access to it... So, clear, succinct, and accessible...

NEXT SLIDE

... which links in to, acceptable risk decisions needed to be communicated to the relevant people... By and large, we don't work in isolation... Hopefully we're not making big decisions in isolation... we work with other people... the relevant ones... Again, confidentiality is

something that will come up at this point, with this kind of consideration... But again, I would say, by and large, we're transparent as to who were informing... who were involved in the decision... why we're involving them... and confidentiality is then likely to be less of an issue... when there is secrecy, confidentiality can become much more of an issue, at times.

NEXT SLIDE [EXERCISE]

Review the qualities and principles set out in this presentation... and make your own notes as to how they apply to you &/or how you, and your colleagues, can put them into practice.

Also, read the pdf document in the module resources entitled 'Questions for Reflection'. This offers a worksheet to review how you are potentially applying Systems 1 & 2 thinking, as well as the need for a structured approach to your decision-making.

Organisational Support

How does the organization... how does your management... or, how do you, as the manager, respond to the information set out across this module... and, indeed, across this course? This could be a separate course in its own right... but, I'm mindful, here, that this course is focused on frontline risk decision-making.

However, a fear of blame... and a risk averse decision-making stance... can't possibly change, if there isn't a material change in the way the organisation supports its staff... in the way the organisation fully understands the concept of positive risk-taking... the challenges of risk decision-making... and how to be transparent in the ways it guides and supports its employees.

NEXT SLIDE

I'm going to suggest here, that acceptable risk decisions, and the process they are based on... should be supported throughout the organizational structure... If you really are enacting the messages... your truly able to reflect the risk can be minimized but not eliminated... it needs to be more than just hollow words... As a phrase... minimized, not eliminated can be seen in pretty much all risk policies... but the problem is that the actual experience, on the ground, for so many people, is that they don't feel that's the way they're treated... particularly in those rare events, when things go wrong... So again... I would say, if people have followed the principles that underpin acceptable risk decision-making... then, even when something goes wrong... when we're talking about those rare events... the organizational structure, the management, the inquiry process, should support people... not have a quick knee jerk reaction in the direction of a blame culture.

NEXT SLIDE

Here's a few questions, that, again... for the organizational managers amongst you... I would also like you to ponder... How much emphasis is placed within your organization on its reputational risk? To an extent, the focusing on the reputation so much, actually hinders the reality of decisions being made at the front line by people.

How do you, as an organization, as a manager... reflect on individual decision-making versus collective decision-making... how do you manage that? Isn't it easier to have individuals making decisions... so, when it goes wrong, we can pin the blame that much quicker, that much simpler... no, that does not generate confidence in our workers... But collective decision-making should not be seen as something that everybody can just conveniently hide behind either... it is a very nuanced challenge.

Is a risk decision-making hierarchy operating, at different staffing levels in your organization? So... the more complex decisions can only be taken at particular levels within the organization.

Do you promote the use of a structured approach... if you don't... I'm offering one here... but if there is an existing one already, is that well promoted, supported, and used?

And, ultimately, good decisions need to be captured and documented in various ways... How does that happen within your organization? Are you more in favour of using the bureaucratic tools... which I don't believe capture it in a very good way... or, do you have more flexibility, and allow your workers to capture good quality information, with very succinct and clear decisions being made, clear decisions being documented and communicated?

NEXT SLIDE

Here's a phrase that gets banded around so much that it loses its power... I'm sad to say... learning the lessons... It's a good one for politicians coming on the radio... when some things have gone wrong... we will learn the lessons, so this will never happen again! Well, you can't make those promises... not in such absolute terms, as they try to appease their voters with strong rhetoric! But, learning the lessons needs to be important... I don't want to be too flippant about this... But, what I do want to say is, that, I don't believe learning the lessons happens through a climate of fear and blame... There are people out there, and it's part of their personality... their way of being and working... and they won't budge from that approach... But, I don't think that their employees, and a great number of people, really do feel confident, or respond, and really enjoy working, where there's a fear and blame climate or culture around.

I think we learn the lessons far more from a starting point of acceptance... accepting, first of all... that things will occasionally go wrong... but also accepting that by and large, with very few exceptions, people aim to try and do things right... do the right thing... do a good job... but it's just that circumstances occasionally get in the way... so it's about initially accepting the good nature of people... Clearly a process of inquiry might well identify negligence further down the line... and that needs to be dealt with at the appropriate time... but we should not see that as the starting point... just going back to the climate of fear and blame.

So, my message here, is, that learning the lessons, is not helped by this tail wags dog approach... focusing on rare events, to the extent that we're projecting a message, that these are typical events, they're typical of all decisions... Those involved in inquiries in some

organizations might well spend 60% of their working time looking at, setting up, and reading inquiries and reports... but that could distort their thinking... because, by and large, what they're spending 60% of the time doing... is looking at what might only be occupying 2% of all the work and decisions going on in the service, or in the organization, or in the business. And that's the danger of the tail wags dog approach... That's just because we're spending an awful lot of time focused on these rare events... these tragic events.. and boosting them, publicizing them more... The result is, that we get a very distorted overall picture, of all of the decisions that are actually being made... perhaps, what is worse, in this situation... is, that, we don't seem to be concentrating any effort on learning the lessons of what works... what is going right... the good decisions.

NEXT SLIDE

In conclusion... as I draw of this presentation on an organisational perspective towards a close... there's, a number of points I would like to emphasise... consistency of good practice should emerge out of clear risk policy... I've seen policies written, that are not very clear at all... and certainly don't emerge, or reflect, what happens on the front line... Good clear risk policy should preferably emerge from a bottom upwards approach, not a top-down approach... In that way, it is more rooted in reality... not just convenience and jargon... Routine procedures and routine protocols need structured approaches... and that's why, again, we keep coming back to the importance of having a recognised structured approach to making decisions... to give us confidence in making those difficult, challenging decisions.

Documenting the risk... the decision in particular... is not about completing excessive forms... That's a theme throughout the positive risk-taking course... but it should be about documented, accessible and reasoned decision-making... That, to me, is the ultimate in what we're about, when we're making decisions.

And, there's also a very important role for supportive supervision and collective decision-making... Again, it's about enabling practitioners, employees, to feel, empowered... that's another one of those broad phrases, easily banded about... but, they certainly need to feel supported, and engaged, in their work... and respected in their work. A part of that, is by not having supervision that is just checking up... and managerially imposing restrictions on people... It needs to be about developing people...

Then, there is this nuanced idea about collective decision-making... whether it's the very challenging decisions that will achieve risk averse, cautious decisions, where that's pertinent... but, collective processes that will ultimately, provide us with a basis for more confident, positive risk-taking decisions... which are particularly relevant to the whole content of this course.

NEXT SLIDE [EXERCISE]

Now is the best time to read your organisation's risk policy and procedures. You've completed the 5 modules of this course... so how about checking out how your policy and procedures currently match up to the messages you've taken from all of this content. Then... what changes would you suggest need to be made?