Debugging the Mind

Cognitive Biases in (Tech) Decision-Making



Luka Mitrović luka.b.mitrovic@gmail.com *

Pete Our CTO





Confirmation Bias Tendency to seek information confirming existing beliefs

Observe Orient Decide Act (John Boyd)



Confirmation Bias

Definition: Tendency to seek information confirming existing beliefs

Pete's Cloud Migration Example:

- Focusing on cloud migration benefits
- Ignoring potential risks

Consequences: Inadequate planning, underestimated challenges

OODA Loop (John Boyd):

- Observe: Gather comprehensive data
- Orient: Analyze in context
- Decide: Make balanced decision
- Act: Implement and monitor





Anchoring Bias/Effect Tendency to rely too heavily on the first piece of information

White Hat (Facts) Red Hat (Emotions Black Hat (Caution Yellow Hat (Benefits) Green Hat (Creativity) Blue Hat (Process) (Edward de Bono)



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Dunning-Kruger Effect/Bias

Cognitive bias where people with limited knowledge or competence greatly overestimate them

Widen Options Reality-test assumptions Attain Distance Prepare to be Wrong (Chip and Dan Heath)



Dunning-Kruger Effect/Bias

Definition: The Dunning-Kruger effect is a cognitive bias where people with limited knowledge or competence in a given domain greatly overestimate their own knowledge or competence.

Pete's AI Implementation Example:

• Pete, with limited AI knowledge, confidently leads an AI-powered analytics system implementation.

• He underestimates the project's complexity and dismisses suggestions to bring in external experts.

• Pete makes decisions about AI models and data processing without fully understanding the implications.

Consequences include poor decision-making, project mismanagement, and potential financial losses due to an inadequate AI implementation.

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WRAP Framework (Chip and Dan Heath):

• Widen Options: Consider alternatives like partnering with an AI firm or starting with a smaller pilot project.

• Reality-test Assumptions: Validate Pete's understanding of AI through expert consultation and case studies.

• Attain Distance: Step back to see how this AI project fits into the company's long-term strategy and capabilities.

• Prepare to be Wrong: Develop contingency plans and be open to course corrections during the project.



1-2-4-All





Mitigation Strategies Actively seek diverse viewpoints Use structured decision-making frameworks Recognize knowledge limits Implement peer reviews Use data and metrics **Practice metacognition**



Mitigation Strategies

- Actively seek diverse viewpoints: Encourage devil's advocates and create a culture where challenging ideas is welcomed.
- Use structured decision-making frameworks: Implement OODA, Six Thinking Hats, or WRAP in your decision processes.
- Recognize knowledge limits: Be humble about what you know and don't know. Seek expert input when needed.
- Foster continuous learning: Encourage ongoing education and skill development in your team.
- Implement peer reviews: Establish a culture of peer review for code, designs, and project plans.
- Use data and metrics: Base decisions on objective data rather than gut feelings or initial impressions.
- Practice metacognition: Regularly reflect on your thinking processes and decision-making patterns.

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5-15% (7%?)

Small steps, small wins







THANK YOU!





luka.b.mitrovic@gmail.com