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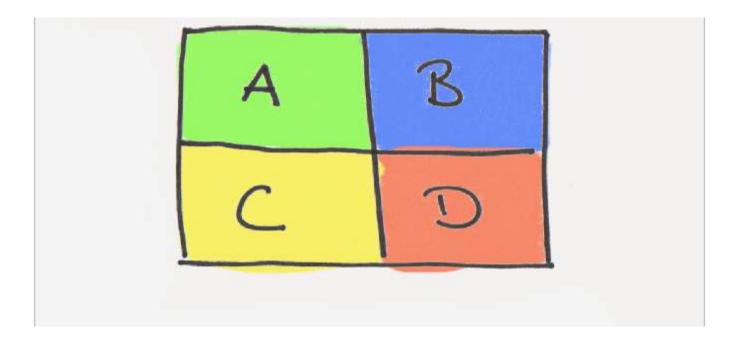
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The Decision Making Guide: How to Make Smart Decisions and Avoid Bad Ones

JAMES CLEAR



What is Decision Making?

Let's define decision making. Decision making is just what it sounds like: the action or process of making decisions. Sometimes we make logical decisions, but there are many times when we make emotional, irrational, and confusing choices. This page covers why we make poor decisions and discusses useful frameworks to expand your decision-making toolbox.

Why We Make Poor Decisions

I like to think of myself as a rational person, but I'm not one. The good news is it's not just me — or you. We are all irrational. For a long time, researchers and economists believed that humans made logical, well-considered decisions. In

recent decades, however, researchers have uncovered a wide range of mental errors that derail our thinking. The articles below outline where we often go wrong and what to do about it.

- 5 Common Mental Errors That Sway You From Making Good Decisions (https://jamesclear.com/common-mental-errors): Let's talk about the mental errors that show up most frequently in our lives and break them down in easyto-understand language. This article outlines how survivorship bias, loss aversion, the availability heuristic, anchoring, and confirmation bias sway you from making good decisions.
- How to Spot a Common Mental Error That Leads to Misguided Thinking (https://jamesclear.com/illusory-correlation): Hundreds of psychology studies have proven that we tend to overestimate the importance of events we can easily recall and underestimate the importance of events we have trouble recalling. Psychologists refer to this little brain mistake as an "illusory correlation." In this article, we talk about a simple strategy you can use to spot your hidden assumptions and prevent yourself from making an illusory correlation.
- Two Harvard Professors Reveal One Reason Our Brains Love to Procrastinate (https://jamesclear.com/time-inconsistency): We have a tendency to care too much about our present selves and not enough about our future selves. If you want to beat procrastination and make better long-term choices, then you have to find a way to make your present self act in the best interest of your future self. This article breaks down three simple ways to do just that.

How to Use Mental Models for Smart Decision Making

The smartest way to improve your decision making skills is to learn mental models. A mental model is a framework or theory that helps to explain why the

world works the way it does. Each mental model is a concept that helps us make sense of the world and offers a way of looking at the problems of life.

You can learn more about mental models (https://jamesclear.com/feynmanmental-models), read how Nobel Prize-winning physicist Richard Feynman uses mental models (https://jamesclear.com/feynman-mental-models), or browse a few of the most important mental models below.

Top Mental Models to Improve Your Decision Making

- Margin of Safety: Always Leave Room for the Unexpected (https://jamesclear.com/margin-of-safety)
- How to Solve Difficult Problems by Using the Inversion Technique (https://jamesclear.com/inversion)
- Elon Musk and Bill Thurston on the Power of Thinking for Yourself (https://jamesclear.com/first-principles)

Best Decision Making Books

- Thinking, Fast and Slow (https://jamesclear.com/book/thinking-fast-andslow) by Daniel Kahneman
- Poor Charlie's Almanack (https://jamesclear.com/book/poor-charliesalmanack) by Charles T. Munger
- Seeking Wisdom (https://jamesclear.com/book/seeking-wisdom) by Peter Bevelin
- Decisive (https://jamesclear.com/book/decisive) by Chip Heath and Dan

Heath

Want more great books on decision making? Browse my full list of the best decision making books (https://jamesclear.com/best-books/business#decision-making).

All Decision Making Articles

This is a complete list of articles I have written on decision making. Enjoy!

- The Ultimate Productivity Hack is Saying No (https://jamesclear.com/saying-no)
- Why Facts Don't Change Our Minds (https://jamesclear.com/why-facts-dontchange-minds)
- How Innovative Ideas Arise (https://jamesclear.com/dont-start-from-scratch)
- All Models Are Wrong, Some Are Useful (https://jamesclear.com/all-modelsare-wrong)
- The Downside of Work-Life Balance (https://jamesclear.com/four-burnerstheory)
- The 3 Stages of Failure in Life and Work (And How to Fix Them) (https://jamesclear.com/3-stages-of-failure)
- The Value of Time: How Much is Your Time Really Worth? (https://jamesclear.com/value-of-time)
- 5 Common Mental Errors That Sway You From Making Good Decisions (https://jamesclear.com/common-mental-errors)
- Overrated vs. Underrated: Common Beliefs We Get Wrong

(https://jamesclear.com/overrated-underrated)

- How Experts Figure What to Focus On (https://jamesclear.com/gettingsimple)
- Warren Buffett's "20 Slot" Rule: How to Simplify Your Life and Maximize Your Results (https://jamesclear.com/buffett-slots)
- The Ivy Lee Method: The Daily Routine Experts Recommend for Peak Productivity (https://jamesclear.com/ivy-lee)
- How to Optimize Your Daily Decisions (https://jamesclear.com/design-default)
- How to Declutter Your Mind and Unleash Your Willpower by Using Bright-Line Rules (https://jamesclear.com/bright-lines)
- Do More of What Already Works (https://jamesclear.com/checklist-solutions)
- 5 Lessons on Being Wrong (https://jamesclear.com/first-choice)
- A Different Way of Thinking About Productivity (https://jamesclear.com/time-assets)
- Warren Buffett's "2 List" Strategy: How to Maximize Your Focus and Master Your Priorities (https://jamesclear.com/buffett-focus)
- Let Your Values Drive Your Choices (https://jamesclear.com/values-choices)
- What to Do When You Have Too Many Ideas and Not Enough Time (https://jamesclear.com/pruning)
- How to be More Productive and Eliminate Time Wasting Activities by Using the "Eisenhower Box" (https://jamesclear.com/eisenhower-box)
- How Willpower Works: How to Avoid Bad Decisions (https://jamesclear.com/willpower-decision-fatigue)
- How to Stop Procrastinating by Using the "2-Minute Rule"

(https://jamesclear.com/how-to-stop-procrastinating)

• How to Focus and Concentrate Better (https://jamesclear.com/how-to-focus)



Thanks for reading. You helped save a life.

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Whenever you buy one of <u>my books (https://jamesclear.com/books)</u>, join the <u>Habits Academy</u> (<u>https://habitsacademy.com</u>), or otherwise contribute to my work, 5 percent of the profits are donated to the Against Malaria Foundation (AMF).

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With each donation, AMF distributes nets to protect children, pregnant mothers, and families from mosquitos carrying malaria. It is one of the most cost-effective ways to extend life and fulfills my bigger mission to spread healthy habits and help others realize their full potential.

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