BIAS

#9 Recommended Readings

As I build, update, and improve content for my course on bias, I compiled an extensive bibliography with over 100 entries and a slimmed down version of suggested readings. This blog explores a few of those references.

***IF I ONLY WERE TO RECOMMEND JUST ONE BOOK…***

…that would be Daniel Kahneman's Thinking, Fast and Slow[1]. Daniel Kahneman and Amos Tversky pioneered research on cognitive bias. His book clearly outlines the subject, delving into the story behind many of their ground-breaking publications. Whilst technical, it is very readable.

I expect many of you are familiar with this book, and hence I will address a few others.

***A FEW OF MY RECOMMENDATIONS***

I wanted my recommended references to suitably outline the concepts, but at the same time serve as a clear and relatively easy read. Listing my suggestions alphabetically by author,

1. **Predictably Irrational by Dan Ariely (2008)[2].** Dan Ariely is a psychologist and behavioural economist, and he uses his expertise to weave the two professions together to better understand human behaviour. This book is both highly entertaining and thought provoking. Using a series of examples, experiments and anecdotes, he demonstrates how we make seemingly irrational choices and decisions, and yet we do not seem to learn from those mistakes repeating the same pattern over and over. As the title says, predictably irrational!

2. **The Critical Thinker's Dictionary: Biases, Fallacies, and Illusions by Robert Carroll (2013)[3].** Robert Carroll is a professor, focusing on philosophy, logic, and critical thinking. His book explores over 100 of the biases and illusions. Immensely entertaining and easy to read, he structures the topics like a dictionary with several pages dedicated to each. He defines each of the biases, supplying examples and research studies to support the narrative. I especially like at the end of each topic; he provides a short list of references. He covers most of the common biases and illusions, but also some more esoteric ones such as the 'Texas Sharpshooter fallacy'!

3. **The Art of Thinking Clearly by Rolf Dobelli (2013)[4].** Rolf Dobelli is a businessman. At first glance, this might be an odd choice for a recommendation. It is not founded in his research studies, yet it is an incredibly practical and readable book to explain and demonstrate a multitude (99) of biases and illusions. Unlike the Critical Thinkers Dictionary, he succinctly presents the error in judgment, explaining each and using examples to show how they present themselves all in three pages per bias!

4. **The Psychology of Judgment and Decision Making by Scott Plous (1993)[5].** Scott Plous is a professor of psychology. The book focuses on many of the biases that impact our judgments and

decisions, and clearly describes them using studies and simple examples to reinforce the concepts. He uniquely starts with 39 questions for the reader to answer. The questions are drawn from many of the studies discussed throughout the book. Readers can compare their answers with the responses given by people in the original study.

5. If you are interested in a paper that refers specifically to cognitive biases in the petroleum industry, I recommend **Cognitive Biases in the Petroleum Industry by Welsh et al (2005)[6].**

***A WORD OF CAUTION***

Most all the references address cognitive bias, outlying how irrational we are and the negative consequences related to these biases. However, there is sparse information on what you can do about them. For many of the references I have read, the discussion focuses on the subject and problems with bias with the conclusion suggesting there is not much you can do other than providing a few mitigation suggestions. This fundamental lapse common in the literature is the driving force behind building the Mitigating Bias course, providing mitigation strategies for each bias.

***REFERENCES***

[1]Kahneman, Daniel, 2011, Thinking, Fast and Slow, Penguin Books.

[2]Ariely, Dan, 2008, Predictably Irrational: The Hidden Forces That Shape Our Decisions, Harper Collins.

[3]Carroll, Robert, 2013, The Critical Thinker's Dictionary: Biases, Fallacies and Illusions, 348p.

[4]Dobelli, Rolf, 2013, The Art of Thinking Clearly, Hodder & Stoughton.

[5]Plous, Scott, 1993, The Psychology of Judgement and Decision Making, McGraw Hill.

[6]Welsh, Matthew, Bratvold, Reidar, and Begg, Steve, 2005, "Cognitive Biases in the Petroleum Industry: Impact and Remediation", #96423, SPE Annual Technical Conference and Exhibition, 9-12 October 2005.

What reference recommendations do you have? Please post in a Comment.

***UNTIL NEXT TIME***

Next time … *anchoring bias*, perhaps the most insidious and robust of all the biases!

Please visit our website to view other Rose & Associates blogs.

Stay safe and healthy.

*Marc Bond*
*Rose & Associates*