What makes a good decision-maker?

On page 233 of *Smart Thinking* I make the point that the Decision Analysis Test (DAT) doesn’t assess the full range of abilities we use when we make decisions in the real world. These are best represented by the three stages of the progressive method of smart thinking. As we worked through these stages we used a number of exercises to develop these abilities.

The following exercises are similar to those you worked on in chapter 12. In the same way work through the first two stages, analysing key concepts, generating ideas, structuring them and then designing possible solutions either by using analogies or by using the four strategies we used in chapter 12. Then choose one or two of these exercises and the solutions you have designed, so that you can use them in the next three chapters as we work through the stages to arrive at our decision. The first two stages have now brought us to the point where we can make a choice between different solutions.

Exercise 1:

Parents on the touchline

As I explain in chapter 9 of *Smart Thinking*, many parents place intense pressure on their children from an early age to do well in competitive sports. They can be found on touchlines watching their children play football, abusing referees and coaches, and shouting at their children. There is a heavy weight of expectation on children, who may be desperate not to let down their parents. All authorities agree that this is not good for the child or for competitive sports in general. What can be done?

In previous chapters we have worked on the problem of parents on the touchline shouting at officials, coaches and particularly at their children. We have generated ideas, structured them and then designed possible solutions. Now use these as we work through the next three chapters, so that you can make an informed decision as to what might be the best solution to the problem.

Exercise 2:

Testing employees for drugs

In the 1980s it was revealed by the American Medical Association that over 50 per cent of the Fortune 500 industrial companies are now testing all job applicants for drugs. A separate survey revealed that almost 25 per cent of large and small businesses had similar testing programmes and many others were moving in the same direction.

Indeed, some companies had introduced programmes to assess how healthy job seekers were and how well they looked after their health. Applicants were asked questions not just about their use of recreational drugs, but about how much exercise they took, how much they weighed, did they smoke or engage in other activities that might affect their health. Some programmes even asked questions about whether applicants participated in dangerous sports, in which they may suffer injury. Of course, the obvious intention was to appoint staff, who would not be forced to take time off as a result of sickness or injury.

It is no doubt reasonable for companies, as they recruit staff, to consider every factor that might result in increased costs. We accept that it is legitimate for them to discriminate between applicants on a whole range of factors – the school they went to, their hobbies, do they like team sports – so why should these be any different? On the other side of the argument we must consider whether companies should have the power to invade someone’s privacy in this way and, as a consequence, dictate an individual’s lifestyle. What is the solution?

1. Analyse the key concepts in the problem.

2. Devise a list of trigger questions and generate ideas by examining the

 problem from the different perspectives of those affected and on the

 different levels as we did in chapter 9.

3. Structure these ideas using the techniques we learnt in chapters 5 and 10 to

 think conceptually and causally.

4. Then design possible solutions to the problem either by using analogies or

 by using the four strategies we used in chapter 12.

Exercise 3:

Adult illiteracy

It is estimated that up to eight million adults in Britain are functionally illiterate. In other words, they have literacy levels at or below those expected of an 11-year-old and would not pass an English GCSE. In practical terms, many cannot make sense of road signs, train timetables or read the letters they receive each day. They cannot fill in forms, make job applications, use the Internet or write a letter. According to the World Literacy Foundation one in five of the UK population are so poor at reading and writing that they struggle to read a medicine label or use a chequebook. It is estimated that this rate of illiteracy is costing the UK economy £81 billion a year in lost earning and increased welfare spending.

As the government reduces its funding of literacy projects this cost will inevitably increase. How would you solve the problem? As in the previous exercise, work through the following stages.

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2. Devise a list of trigger questions and generate ideas by examining the

 problem from the different perspectives of those affected and on the

 different levels as we did in chapter 9.

3. Structure these ideas using the techniques we learnt in chapters 5 and 10 to

 think conceptually and causally.

4. Then design possible solutions to the problem either by using analogies or

 by using the four strategies we used in chapter 12.

Exercise 4:

Insurance fraud

Insurance fraud now costs the industry around £1.6 billion a year. According to the Association of British Insurers, one in 10 adults is happy to admit to having made a fraudulent claim. Indeed, more and more people appear to believe that this is just acceptable practice. It is thought that this sort of fraud is rising at a rate of about 10 per cent a year. The most common form involves exaggerating a claim. People will add a few more DVDs to a home insurance claim or they might upgrade their watch to a Rolex on their travel insurance. Although probably a myth, it is said that more Rolex watches appear on insurance claims than have ever been made.

Of course, this affects all of us. It is estimated that it puts an extra £40 on every insurance policy each year. In other words, if you have four or five policies, this will cost you an extra £160 or £200 a year. So, what can be done? What is the solution to the problem? As in the previous exercises, work through the following stages.

1. Analyse the key concepts in the problem.

2. Devise a list of trigger questions and generate ideas by examining the

 problem from the different perspectives of those affected and on the

 different levels as we did in chapter 9.

3. Structure these ideas using the techniques we learnt in chapters 5 and 10 to

 think conceptually and causally.

4. Then design possible solutions to the problem either by using analogies or

 by using the four strategies we used in chapter 12.