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5 Cognitive Biases Blocking Your Success



Carmine Gallo Senior Contributor ⓘ

Leadership Strategy

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Cognitive bias and mental errors GETTY

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As a communication specialist, I take a deep dive into cognitive and behavioral psychology because it helps me understand how our minds work. If we understand how people think, then we'll be in a better position to influence them.

An additional benefit to studying the mind is that it helps us understand ourselves, explaining why we do the things we do.

Geoff Tuff, a principal in Deloitte Consulting's innovation practice, tackles the subject of biases along with co-author Steven Goldbach in their bestselling book, *Provoke*. I recently caught up with Tuff to discuss five cognitive biases (errors in thinking) that prevent leaders from recognizing new and powerful trends.

The first step to seeing patterns that others fail to spot is to recognize your own blind spots.

1). Availability Bias

“The availability bias is the natural human tendency to be more biased toward information that’s easy to access mentally,” says Tuff.

Tuff and Goldbach offer the real-world example of a media-company executive who refused to accept that a small number of ‘cord-cutters’ would dramatically change the media landscape. The segment of people who wanted to watch what they wanted when they wanted was only 1.75 percent of the market at the time of the meeting (2009). And so the executive dismissed cord cutters as “inconsequential.”

The executive (and his company) completely missed the trend toward streaming content.

“It was challenging for executive to see the possibility of cord cutting simply because the concept wasn’t mentally accessible to him,” according to the authors.

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2). Status quo bias

Generally, humans prefer things to stay the same. We like things to feel normal.

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This bias, of course, explains why feelings of depression and anxiety have soared during the pandemic. We simply don't like things to throw off our present reality.

In business, however, it's important to realize that status quo bias prevents companies from remaining competitive. For example, management teams almost always consider the risks of launching a new product:

It may not work as well as we anticipate

There's no way sales will go for it.

Our channels won't want to stock it.

As a result of these attitudes, the teams shutter the project to avoid risk. That's status quo bias in action. We prefer that things remain the same rather than risk a loss—an outcome that might not work out as well as expected.

Here's the key—in a world of exponential change, we're often taking a bigger risk by *not* taking action and staying in place.

3). Egocentric bias

The egocentric bias means we tend to overweight our point of view over the point of view of others. In business, leaders give in to egocentric bias when they pay more attention to data that supports their point of view and less attention to data that conflicts with it.

Since the world is a muddy place and data is often unclear, Tuff says it's harder for leaders to spot trends that don't conform to their world view. And, as a result, they fail to incorporate that data into their decision-making.

Pay attention to diverse voices and opinions.

4). Affect heuristic bias

This bias means we pay more attention to things that spark a strong, intense emotional reaction. For example, if we see information or data that alarm us, we are more likely to take action on it. If the data doesn't deliver an emotional punch, we're likely to ignore it.

That's why the media executive discussed earlier was unaffected by a market segment of just 1.75%. It simply didn't provide a strong enough response. The problem, of course, is that by acting only on data points that provoke a strong emotional response, small (but growing) trends often go unnoticed until they're too late.

5). Overconfidence bias

"People overestimate the likelihood that they are correctly judging a situation, and they underestimate the chance that they are wrong," says Tuff.

We often think our opinion is the right one. True leaders, however, acknowledge that they might be wrong. They surround themselves with people who express a diversity of opinion—and they encourage those people to express their contrarian opinions openly.

It's said that innovators can see around corners. It's true. They do see things the rest of us miss. But they do so because they've created the conditions for innovation to thrive—and those conditions start with the way they think.

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Carmine Gallo

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