

Daniel-Kahneman-Tribute-Episode

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SPEAKERS

Chris Casillas, Loyd Willaford

L Loyd Willaford 00:02

In this episode of the PERColator Podcast, Chris Casillas and Loyd Willaford discuss the life and work of Daniel Kahneman. Kahneman was a Nobel Prize winning psychologist who passed away in March 2024. Kahneman was a pioneer in the field of behavioral economics. His insights, most excessively summarized in his 2011 book, *Thinking Fast and Slow*, changed forever how we view decision making. We hope you enjoy the show.

C Chris Casillas 00:29

Hello, and welcome to the PERColator Podcast. I am joined today by my fellow PERColator co-host Loyd Willaford. Loyd, how're you doing today?

L Loyd Willaford 00:39

I'm good, Chris, how about you?

C Chris Casillas 00:41

Well, I'm doing I'm doing really well, Loyd, thanks for asking. For the most part, with the exception of a little bit of sadness, I would say with today's topic, sadness mixed with a lot of a lot of reverence and just joy in terms of being able to talk about a person that has really influenced a lot of my thinking. And I know he's, he's been impactful for you as well, and really, frankly, millions of people across the world. But today, we wanted to celebrate the life of Professor Daniel Kahneman, known as Danny to many of his his friends and colleagues, who unfortunately passed away a few weeks ago now, at the time of this recording, back on March 27, 2024, I believe, at the age of 90, so lived a very kind of full, vibrant and just amazing life, really in many different ways. So we are thankful for all of his many contributions in so many different ways over the years. But sad, we don't still have his direct voice, although we certainly have a lot of his work. And in honor of him and all of that work, Loyd and I thought it

would be great to kind of talk a little bit about some of his work and think about how that applies to the world of negotiations. One of the things we love to do here at the Negotiation Project is kind of dip into a lot of different academic disciplines, things that, you know, on the surface may not have much to do with negotiations, but think about how the work and research of scholars from a wide array of different fields kind of have some bearing on our world of bargaining and negotiations and thinking about how we can be more effective in this space. And I think Professor Kahneman certainly fits that bill, in many ways. So before we kind of get into that, just for those of you who are maybe less familiar with some of some of his work, I wanted to just kind of set the scene a little bit in terms of some of the major themes from his work. And then we'll kind of turn to some specifics in the negotiation space. And Lloyd is going to kind of take us through a number of different examples of thinking about how to apply his work to the field of negotiations. And so I'll start with saying kind of, when Kahneman was kind of beginning his work in the early 1970s, as a, as a psychologist, he was coming up in this world that at the time had really been dominated in a lot of the social sciences by what we now refer to as rational choice theory. And rational choice theory has always been a very kind of seductive theory, in the sense that it's, it has a lot of explanatory power, it's a good model for thinking about how to predict human behavior. And that's really important in a lot of fields and a lot of businesses, because if we can better understand how people make decisions and where to, for example, kind of put their money or to invest or how nations kind of interact with one another and make critical decisions. You know, there's there's a lot of, there's a lot of power in that. And it was also a very parsimonious model in the sense that it really just operated from two pretty simple premises, right? One that as the title, or the name of the model suggests, you know, people are generally rational beings, we make decisions that are, you know, logical, and based on evidence, and those kinds of things. And secondly, that, that people are generally self interested, we do things that benefit us. And those two assumptions were really critical within that model. And as it was applied to a lot of different fields as I as I just mentioned, but, you know, around the time that Kahneman was kind of beginning his own research and starting to look at things from his angle of the world and kind of living with this model that kind of was built on those two assumptions. As I mentioned, he started kind of asking himself these questions about how how people really make decisions, and how they really process information to make those decisions at some point in his in his kind of early career, which was summarized in a much later book, but he said something to the effect of he started to realize through doing different experiments with people, and how they actually make decisions that people are not fully rational. Nor are they entirely self interested, that really, those two assumptions which are critical to that rational choice model really aren't, in fact, true in a lot of different cases and how people actually behave. And this work, he did this along with his partner, Amos Tversky, and others important scholar who unfortunately met an untimely death in the in the mid 1990s. And, and a few others in the field really kind of created, what came to be known as behavioral economics or behavioral psychology. And kind of culmination of this work really happened for Kahneman in his 2011 book, Thinking Fast and Slow, which was kind of his magnum opus, and probably will be considered a book that will stand the test of time. I mean, it was really a revolutionary book in terms of both bringing all of his research together from the prior several decades. But I think for me, what was really remarkable about that book, and I think, why it's so significant is he kind of stitched that all together in terms of this understanding of what he referred to as humans having one brain but two systems within that brain. And he went on to label those systems, system one and system two, and a number of other scholars have kind of commented and discussed at length with their own research on the same scheme that Kahneman talks about, but I think his framing of this is, it's the most powerful, and the one that will kind of resonate over time. And what he was getting at is that, you know, it's, it's biologically true that there's just kind of one brain kind of sitting up in our, in our noggin, so to speak, there's really kind of two, two totally different systems that are

operating there in terms of how we process information and make decisions. So system one, as he labeled it, is this kind of fast, intuitive, quick decision making feature that we have. And then system two is this more thoughtful, analytical, kind of slower contemplative system that we have, and both of you think about are really critical to our survival, right? System one is great, in so many different situations, but think, for example, like you're in a cabin out in the woods, and you open the door, and there's, there's a grizzly bear, right there. You know, system one is, is your friend, and that in that instance, because you're gonna react instantaneously in that situation, and hopefully get out of danger. But you know, when it comes to like, trying to engineer a huge bridge, spanning a body of water, or thinking about how to send rockets into into space, you know, that quick decision making isn't really to our to our interest. And that's where system two is really, really helpful, and has allowed our species to really prosper as a result of that. But the thing that I think is most interesting for me, and that starts to kind of get us into the space of the negotiation world and thinking about how people process information is that he observed that, you know, system one is really kind of always on, it's always in the background. And it really heavily influences how we make decisions at that system two level. And so even when we're engaged in kind of that deeper, more analytical type thought, system one has already made certain decisions for us and processed information in a particular way. And, that's all fine and good, until you realize that to make those quick decisions, system, one has to rely on what he called he referred to as heuristical devices, or, essentially what he meant by that is kind of mental shortcuts to make those really quick, rapid decisions. And those shortcuts are subject to all sorts of biases and assumptions. They work, because they can process information really quickly, but they're susceptible to error. A lot of times we don't realize those errors at all. And certainly we don't realize them in the context of kind of doing that more higher order, deeper, analytical type thinking. And that's really an important and critical insight in terms of thinking about how people process information because when we're engaged in a pretty sophisticated task like negotiations and talking about complex subjects and, you know, lengthy articles, with lots of different moving parts or looking at a lot of data. You know, we're engaged in that higher order thinking. But what Kahneman really opened up for us is realizing that even in that environment system, one has already made a whole series of judgments that are influencing that deeper thought. And I think that's just such a such a critical insight. So that's where I want to turn to now wide sorry for kind of hogging the first few minutes of the podcast here, but I want to talk about some of those different kind of mental shortcuts that I was just referring to, because those are kind of always at play, and can really affect how information is received by the other party, and also that we ourselves are subject to as well, like, we're not just thinking about how we present information to other people, but how we ourselves are being influenced by this, these same processes, right? And making sometimes incorrect judgments because of that. So if we, if we could turn to that and kind of think through some of those, Loyd, and then maybe you can talk a little bit about some examples there. That would be that would be a good, good place to start. So

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Chris Casillas 11:19

So do you have any, you have any of these kinds of shortcuts that you want to jump into first and talk about?

L

Loyd Willaford 11:25

Sure. And before I do that, I was just talking about my own, you know, personal kind of experience with Kahneman's work, as I think I've said in a previous podcast episode, before I

came to, to PERC, I was a trial lawyer. And Kahneman's work has been hugely influential in preparing trial lawyers, how do people make decisions? Like, if you're talking about a juror, or a judge, or any kind of, of, you know, decision making. I think you hit it right on the head, just thinking fast and slow, is going to stand out as a landmark book. And one of the things I've always liked about Kahneman and particularly this thinking fast thinking slow, is it's readable, it's not like you have to be a psychologist or an economist to understand this stuff. He gives real world examples. And, you know, he's always kind of grounded in the real world, as opposed to the sort of theoretical perspective. I mean, he, he started out in the Israeli military, doing some of this stuff. And, you know, the real world impacts, and I think, you know, he has this great shortcut, he talks about, you know, e cons, we were talking about, like rational choice, econ, meaning these sort of fictitious human beings, that just always, as you said, make decisions based on, you know, rational reasons and self interest, he said, that's not the real world, right? Human beings are complex, his biggest contribution is to that take that complexity, and really apply some heuristics, like the system one, system two, that's a heuristic, it's a way of sort of explaining how it is that we actually interact in the world. And it is, it's not always intuitive, and understand that gives us the ability to perhaps, you know, make better decisions at the end of the day. And I think that's, you know, the other thing I think about his work is people making better decisions to better their lives and not be sort of, fall into these trap doors of potential bias. And I think, you know, particularly, you know, you look out in the world today, we could use a lot of a better decision making. So, you know, Kahneman developed a number of these heuristics, and probably the place to start might be what's known as a reference point heuristic, which is this idea that when you're faced with more information coming in, and I think that's the insight here is that we're flooded with information, some, you know, you have to have a way to process that one way that the sort of system one processes, is it it makes an association, like information comes in at you, you make an immediate, quick snap judgment. This thing is like, you know, like, for example, the bear when you open the door, you see the bear, there's a quick reference point, bears are dangerous, I better shut the door. And you don't there's no thinking about that. There's not a it's just an instant, you think of almost kind of instinct, instinct is kind of what I think it's instinctual reaction. That can be great, if in fact, you know, the thing that you're faced with is, like you said, the bear coming in, bears are dangerous, we shut the door. But in some places, it can lead you down to an erroneous conclusion, like, you know, particularly if you have experienced, like, some of the stuff is learned, right? We see stuff in the media over and over or we hear stuff from our parents or whatever experience we get this kind of a ingrained, instant reaction and that initial reaction will kind of sort of carry through into our decision making, which can lead to, like I said, you know, I mean, I think probably a good example, you know, when I think of like, I can think of like the media, for example, you know, if you've been flooded with, with images, associating, for example, particularly racist with violence, or whatever, that now, every time I see a black person, I think, Oh, they're violent. And, of course, that's not accurate. We think that's repugnant. But we don't really need that system, when you don't really have any control, you have sort of almost kind of been conditioned. And that's then going to lead to, you know, a whole host of, of poor decisions.

C

Chris Casillas 15:41

An I think of this in the, I'm curious kind of your thought on this, in the negotiation space, I think this happens a lot, where, you know, one group that, you know, is in a negotiation, like, will kind of quickly compare itself to some other some other group with that, or some other employee with that within that employer, right. And, and that other group may have gotten something, some kind of benefit, or some kind of enhancement. And it's easy for people to kind

of say, well, you know, we work for the same employer, like we're doing kind of somewhat similar work. So I should get that too. You know, that's kind of like, you know, you kind of quickly make that assessment in your head. And it's hard, it's hard, then to get off of that, even in the face of evidence that might say, well, you know, for example, maybe that that other group was interest arbitration eligible, and they, and your your group isn't, and they only got that through the interest arbitration process. And so it's really not as as clean of a comparison as it might present initially. But as soon as that association is made, that reference is made, it's really hard to dislodge someone from that, even in the face of quote, unquote, kind of more rational evidence that says, well, that's really not a great comparison. You know, I don't know if you've seen something like that. But that that strikes me as a instance of where this kind of snap decision making using kind of an easy reference point can kind of potentially lead us astray in some of our own decision making.

L

Lloyd Willaford 17:17

Yeah, I think we see that all the time in negotiations. And I think the, what's the key here is to take, you know, relatively complex, like what I think of is, you know, system one does not have nuance, right? We're not interested in weighing different reasons why this thing is different, or how that's whole kind of system two stuff. Yeah, absolutely. When you and, you know, and I think this idea of a reference point thing, and there's a couple other kind of related topics of anchoring and framing, how the thing comes in the door, matters. We both worked with an attorney, and one of the things he told me, that I've always taken away, from one of the first hearings I did with him, so you just got to remember that people remember things consistent with their self interest. And I think that's kind of what's going on here, too, is that, you know, we come with filters, the information comes in. And I want to particular result, and I'm not even thinking I want a particular result, but I'll take the information that comes in, if it leads me down a path, I go down that path, and now I'm sort of committed to it. It's almost kind of, and we don't even know that that's what's going on, which is I think with the piece on the anchoring piece is we, you know, again, a kind of quick judgment about something which we totally, may be totally unrelated. For example, and Kahneman did some great things about this, like estimating people's ages, right? If you give somebody a number, and then you say estimate somebody age, that the first number is going to influence, even though it's totally unrelated. It's going to influence your judgment about, whether or not, your opinion about something. And I think that the statement is that like you think of Gandhi's age, like, if you say, oh, let's talk about somebody who was born, you know, I'm trying to remember the exact number, but basically, figure that you a number that you hear will kind of lodge in your mind, and then it will be related to when you hear another number, you make a judgement, it's going to be connected to that somehow, I think we see that negotiations, like the initial first offers gets stuck and lodged in people's mind. Right? And it becomes and it almost becomes some people are aware of that, and so maybe they try to manipulate that. Other people, you know, it doesn't matter, you know, we hear all the time and negotiations. "Oh, we've moved so much," right? Well, you've only moved so much because you started high, and if you hang on to that and it influences, again, sometimes it can be, well all this stuff is kind of at the not, always quite conscious level.

C

Chris Casillas 19:52

And on that. That anchor can kind of cut both ways too, right? Which is something as negotiators we need to think about because, you know, it can, you know, perhaps be used a

little bit strategically to try and kind of frame some of the conversation around that anchor, and try and move the other side and that closer to that point, but it also becomes fixed in our own minds and our own groups minds as like, as like, you know, I just think we started to rationalize kind of backwards into that, like, Oh, that was a really, you know, sensible number, even though it was artificially kind of high to start off with it. And we knew that, but we've we've kind of moved, so to speak all this way from that original number. And we should get kind of more credit for that movement, even though the original number itself was just a little bit of an artificial anchor. And so it can, it can make it harder for us on, on our own side to kind of continue to make some adjustments, because we get stuck on that original, that original amount. It's always kind of there as we evaluate other moves. Right? ,

L

Lloyd Willaford 21:03

Yeah and I think that, you know, well the anchoring, sometimes it's a, there's a less, I think you're right that to be thinking about, okay, we can try to use it strategically. But even if it doesn't matter, whether you're using it, it's like the first thing that somebody says, for example, you know, in negotiations or whatever, you know, if the, the number that you you come out with in your first negotiations is either way too high, or way too low, you know, in terms of where you may end up, people remember that, like, it is literally like an anchor around, you know, the negotiations, and it can be a little difficult, even if even if after a few sessions, everybody gets finally gets to, you know, okay, we know where we need to go. That's still lodged there. And it's still influencing the decision making, even though you know, it's been two or three sessions ago, or maybe even six months ago, right, we hear that in negotiations, look, we started out clear up here, and they haven't moved at all right. So and to be aware of what's really going on there is that, you know, that when you took that initial information, it's just the ones that are processed had a reaction, and that reaction then sticks with and colors, the rest of your decision making, even when new information comes in. And, you know, I think Kahneman was good about this, it's like it, you know, this idea that people can we can change your mind the whole rational choice, if we just give you more information, and point out all of the errors of your ways you will change your mind, that's not really the world that we live in. Right? What happens is the new information comes in it and and we filter it to be consistent with our initial system one evaluation, and we find all the ways that it tells a story we want to tell. And that can be radically different from the story that you want to tell, and both sides are, are perfectly I mean, they're they're rational in the sense that they have reasons for believing the things that they do. But they're not really connected to any kind of external reality, it's all going on in your head, being aware of that can have some influence on how you deal with it. But at one level, you don't you just you just have to know that it's going on and, and maybe that's where this whole system two stuff comes in, where we can slow things down the whole, you know, thinking fast thinking slow, you know, slowing things down asking questions, and giving the opportunity for new new approaches to sort of take hold, but it's it's a hard thing.

C

Chris Casillas 23:38

Yeah, let's talk a little bit about one of Kahneman's most important insights with his with his collaborator, Amos Tversky, this idea of loss aversion and and what they came to label prospect theory. So, loss aversion kind of highlights the fact for us, which again is is a little bit counterintuitive and runs against kind of this more rational view of how we kind of make decisions because it points to the fact that we tend to feel losses a lot more than we you know,

cherish or relish an equivalent type of gain. So the losses, even if we could, if we could kind of equate a loss and a win, we we feel the loss a lot more more so than we we feel the this the same type of win, which is which is weird, right? Because it should be you think it should be balanced on on both sides, right? It should be it should be the same. But the effect of that is that it causes us to really overvalue something that we have to give up relative to how you know what we might do to you gain something we don't already have. Because because we're, we're gonna feel that loss more than the game. And Prospect Theory kind of goes a step further there and says we, we, we make that evaluation relative to the current status quo. And so this this is an important insight in another area, I think, where we can think of this in the context of negotiations and how this might play out. And, and how we might frame some of those conversations to try and deal with this phenomenon.

L

Loyd Willaford 25:31

Yeah, I think that's, that's a great explanation of the loss aversion. And like, one of the things I like, about again, Kahneman is he sort of boils these things down to experiments that sort of illustrate this concept and things like, if you give people two choices that are mathematically equivalent, they, they will tend to pick the one that at least superficially looks to them, like they're avoiding loss, even though they're, they're mathematically and even even not even mathematically equivalent, they'll actually pick things that are not mathematically equivalent like that, you know, for terms of the expected value, they would do better to pick the other one, but they're close enough, you know, they're, they're framed in such a way that, so for example, you know, if somebody says, you can either you get 90% chance to win, win \$100, I always get these things wrong. Maybe you remember that?

C

Chris Casillas 26:29

Yeah, they've talked about, like, if you do, they do a lot of with probability,

L

Loyd Willaford 26:34

Yeah.

C

Chris Casillas 26:34

And if you kind of make it probabilistically the same, but frame one is a loss versus a gain, you know, your chances on either side are the same, you know, mathematically or close to the same. But people will select the one that is more likely to mean that they are framed in the way of like, avoiding a loss rather than rather than gaining something particularly gaining something they don't already have, even even if the odds are the same on both sides of the equation. And that is insightful, because it really goes to thinking about how we, how we characterize like, in our world, in particular, how we characterize proposals, I think if if you're, if you're framing something in a way that seen as as a loss to the other party, particularly relative to what the status quo is, versus kind of as a as a gain, you know, people will feel that loss more, they're more guarded and how they make decisions around that as a result.

L

Loyd Willaford 27:42

Right. And I think that the back to the system one, system two, like, you know, how you frame, even framing things as a proposal, versus talking about, like we talk in bargaining about interest based bargaining. Like, where, if the thing is phrased as, okay, Here is our proposal that is going to give you a loss, but you're going to get some kind of a gain versus talking about, okay, what is the larger context that these things? What are the interests that we're talking about? This sort of prepares the way it's almost kind of a way of getting around that system one instant evaluation, like we're going to take in the information gradually, give our minds an opportunity to see the bigger picture in it. You know, Kahneman talks about sort of the way we take information is like, what you see is all there is, it's kind of the phrase that that he uses, in the sense that, you know, that first instant reaction, there's not a lot of, Oh, is there more information out here that I can take in to make a reaction to I met snap decision. And so if you frame things as a, you know, in the sort of the interest based piece, your there's more there than this initial proposal, which often can be, it triggers these, the loss aversion or the other other thing that we're gonna talk about here in a second about sort of reactive devaluation, because I've had this adversarial relationship, just the fact that the person saying it out loud, even if it might be perfectly beneficial to them, I don't like the person saying it, and now I'm just gonna immediately devalue it.

C

Chris Casillas 29:19

Yeah, that's interesting to think of, it's insightful, I hadn't really thought about how we can use some of our systems or our bargaining models like interest based bargaining as a, as a little bit of a workaround to some of these systemic biases in our thinking. That's a that's an interesting, interesting thought. Because I think, yeah, when we're kind of in that more positional frame, it's easier to kind of, for things initially come across as like a loss. And we can react to it that way in the ways that we just described and if you use an alternate model that doesn't force that particular approach you maybe you can kind of do a workaround a little bit on some of that, how our minds are processing that information. So that's interesting. Well, let's talk a little bit more about, you just mentioned reactive devaluation, which I think is a really interesting concept that, you know, probably many of us kind of recognize intuitively, but maybe it didn't all see the fact that there's some science supporting this notion that while while, we'd like to think that we're all not quite this like petty and judgmental. In reality, we're assessing the merits of particular ideas or information, not just on the merits of that information or idea, but based on how we view the speaker, and what kind of feelings we have toward the speaker, be them positive, or negative. And that has a real, real significant influence on our evaluation of the idea itself. And so put simply, you know, if, if someone on the other side is, is kind of pitching a new idea, on a new bidding system for vacations, or something like that, and you have a very kind of negative adversarial relationship with that person, you know, more likely than not, you're going to kind of poorly evaluate the merits of that idea. And, and rationalize that in your mind that it's because the idea is in and of itself, not a very good idea for a, b, and c reasons. But in reality, probably what's influencing you more than any other variable is the fact that you just don't like the other person.

L

Loyd Willaford 31:46

Yeah, and, you know, there's reason, I mean, back to this, that, that's not, it can't be fundamental, but it also can be this experiential, like the reason why this this even devalue is

judgmental, but it also can be, I've experienced, like, the reason why this this even develops is because I have some kind of experience that has led me to this place, like, every other proposal that this person has made, has wasted my time or, and so I tell the story to myself, okay, this is just another one of these things that I'm gonna get the same result I got it before. Like, it doesn't make any sense. They don't know what they're talking about. You know, and we've seen this all this, this kind of behavior in negotiations all the time. Right? That, oh, this is just another example of either, you know, the union says, Oh, the management doesn't, they don't actually do the work, they don't know what's going on. Or the management says, Oh, this unit, they don't understand we have a business to run. And we have, you know, we can't, money doesn't, you know, fall out of the trees. And so you attribute all of these things to the person making the proposal that don't have anything at all to do with the proposal itself. And that, then people, spin this story about what's really going on, that is completely divorced from the external reality.

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Chris Casillas 33:01

So I think here to like you on both, again, on both sides of the thinking about this, like, one as a, you know, as a party kind of presenting this information. I mean, I think it's important to be aware of this. And if, you know, for example, I know this will be a shock to some of our listeners, but when, during my days as an advocate, you know, I wasn't always viewed warmly by the folks on the other side of the table. And sometimes this was widely known, at least in that particular setting. And, and, you know, if that's the case, you know, maybe somebody else on your team who has, you know, better relationship or something with the other, yet some other folks or something might be the better person to present that particular idea, right, just to kind of minimize some of the some of that reactive devaluation, but then on, you know, your side of things like receiving that, recognizing, I think a little bit that this, this bias exists, and really kind of forcing yourself to try and work through that as much as possible. So you may have a very negative reaction to something to a particular proposal or idea, but like forcing yourself to kind of go back to it, and thinking like, is it because I just, you know, don't like the person or is it really, if you think about it, is really an objectively bad idea? And maybe, you know, by forcing yourself to do that, you might start to realize like, Okay, well, you know, maybe there's some pieces of the idea that aren't great, but there's other things that we could work with here. And, you know, trying to push through that initial impression that your your brain has has formed for you around the merits of the idea.

L

Loyd Willaford 34:50

Yeah, and Kahneman talks about this, about sort of what you're really talking about in terms of the Kahneman sort of the system one versus system two, how do you get your system one reaction is this, this person is wasting my time again, you know, this is a horrible idea. If you go take concrete steps to bring in a system to analysis like to do some of the things you're talking about, like actually weigh. Okay, asking questions? What does this proposal actually do? You know, what are we trying to accomplish, so that now you're now engaging that slower, kind of more contemplative system two, although Kahneman spends a lot of time talking about the system two is not without fault, we can get lazy. Like he talks over and over about this little lazy system two analysis, like we just, we just confirm, we go through the motions of weighing this stuff, but we just confirm what we already figured out in system one. So to have a way of

engaging that sort of more deliberative, or, you know, in Kahneman's terms, thinking slow, to really slow things down a little bit, and give us time to sort of almost kind of catch up to the other circumstances that are going on, I think, is, again, that's all easier said than done. Right?

C

Chris Casillas 36:11

Especially in the heat of, you know, the passion of a negotiation, you know, it's not easy, that's for sure. But I think the first step with any of that is just some some level of awareness. Right? And which is what we're hoping to do here today. Well, let's, let's finish up with one other one here, Loyd. And then then we'll close out today because my system two brain is getting a little tired here and talking about complex systems. But the last one I wanted to think about was the attribution errors or attribution bias. And this kind of highlights for us this, this tendency that we have to, you know, excuse or kind of rationalize a lot of our own behavior to situational circumstances are things that are, you know, just in the environment that are outside of our control. But conversely, we tend to attribute the actions of other people, to more what we call dispositional characteristics or things, things that individuals can control, kind of things that are innate to them. And these, this attribution bias, like leads to all sorts of judgment errors, again, because we're tending to kind of excuse our own behavior and saying, like, Oh, I was only like, rude and dismissive of you, because this morning on the way into the negotiation, somebody cut me off and, and I had to veer off the road and almost, you know, hurt myself. And I'm really annoyed because of that, and that that's the reason I was rude to you. But when somebody else is rude to you, you tend to think, oh, that's just because they're a rude person. And we do this all the time, in all sorts of different settings. But I think, you know, this, this happens when we think about those relationships at the bargaining table, as well. And I think another area where we can be a little bit more thoughtful to try and one recognize that this is happening regularly, and two, you know, thinking about ways in which we might be able to correct that a little bit, in some cases, at least.

L

Loyd Willaford 38:29

Yeah, and I think to be aware, it's happening for us. And it's also happening for the other, the other party to have some and I think I mentioned this a few few times in prior podcasts, about having a little bit of grace, like, Okay, what somebody is saying, what you're hearing is not always exactly what they're saying, right? Either either you're filtering it or, you know, as you as you hear it, or they're filtering it, as they speak it, and that to be aware that, you know, the reality is quite a bit more complex. And I think that's one of Kahneman's probably singular achievements is to recognize that complexity without totally surrendering to it and saying, Oh, well, we just throw out, the world's too complex. We can't say anything about it. And so we'll just, we can't know anything, versus said, yeah, it is complex, but there are certain sort of trends that you can see, it's not so simple as, everybody makes rational choices in their self interest. But they there are things that you can be pretty certain are going on, like in a, you mentioned probabilistic, I think that's it's likely that these things are happening and influencing people's behavior. And then we can make if, if we, you know, are engaging that system to thoughtfully and not lazily, we can make some adjustments and maybe come to some better decision.

C

Chris Casillas 39:53

All right, well, thanks for that conversation. Loyd. I hope the listeners find it a little bit insightful in terms of thinking about some things they can try and address during negotiations and kind of interactions with with parties on the other side of the table, but also nice just to take a moment to reflect on a really amazing individual who's whose work I predict will stand the test of time and I hope 100 years from now somebody else's doing a podcast just like this one to talk about the work of Kahneman and, and others like Tversky and his many scholars that kind of followed in their footsteps. So, thanks for your time today, Loyd. Appreciate it.

L Loyd Willaford 40:39
Thanks much, Chris.