

Abstract

Adelbratt, T. (2004). *Everyday notions of good decision making: Theoretical and practical implications*. Department of Psychology, Göteborg University, Sweden.

The present thesis investigated the common sense view of rational or wise decision making. It was accomplished through four studies of gradually increased generality. **Study I** addressed the very specific question whether people can be encouraged to follow the expected value (EV) principle. This assumes that the impact of each possible consequence of an action should be proportionate to its value (or utility) multiplied by its probability. A series of experiments were conducted to study the effects of information about EV on choices among gambles. The EV information had marginal effects on the subjects' behavior except when repeated gambles were allowed. It is suggested that subjects, rather than being guided by an abstract composite measure, such as EV, attempted to find a gamble having some concrete pattern of features. To obtain this they used simple decision rules and other personal strategies. A rule describes how disparate judgments within and between alternatives are integrated in a decision. **Study II** examined whether these alternative strategies were seen as attractive and useful in a broader perspective. In the context of hypothetical choice situations subjects were instructed to evaluate the relative merits of three compensatory (with demanding trade-offs) and three non-compensatory (with simple cut-offs) decision rules. The results showed that subjects could distinguish among the rules in a meaningful way. Applicability ratings were highest for two compensatory rules. Reported usage was also remarkably high for these rules, but we do not know to what extent this reflected actual usage. A non-compensatory rule was third in popularity and almost always used when rated applicable. This rule perhaps led to fast decisions that were easy to justify. **Study III** explored how everyday decision makers use the decision rules and how they invest their mental energy. Is it in complex information integration, which traditionally is considered rational, or in other cognitive procedures? The subjects were encouraged to give written accounts of their habitual decision strategies in real life. The instructions promoted sequential descriptions without being too obtrusive. All reports were contents analyzed and condensed to six reflective and six intuitive categories with contrasting qualities. These indicated that the subjects had good analytic intentions, but rarely employed any demanding strategies and were almost unaware of the possibility of using different integration rules. The subjects rather preferred other sorts of deliberation, in areas like strategic planning, social adjustment, value co-ordination, and assessment calibration. Several of these activities were focused on evaluative phenomena and quite often prepared for systematic restructuring of values, criterion levels, and attribute weights to simplify the process. A strong regulating factor was the intuitive influence from emotions, established principles, identity concepts, and wishful thinking. It is concluded that the relative priority of evaluative phenomena has certain advantages for the individual. The strategy is easier to understand and justify. It has a more natural relation to fundamental needs, identity aspects, social ties, etc. Finally, it is in direct contact with emotional life and therefore a bridge between analysis and intuition. **Study IV** verified the resulting picture of Study III with a more standardized rating scale approach. It is suggested that everyday decision making very much is a question of comprehensive value construction rather than meticulous information integration. This priority links the decision to the individual's general life situation. The evaluative work can also be improved by relatively simple means.

Keywords: Decision making, beliefs, attitudes, everyday strategies, analytic reasoning, intuition, expected value, decision rules, restructuring, principles, identity concepts