

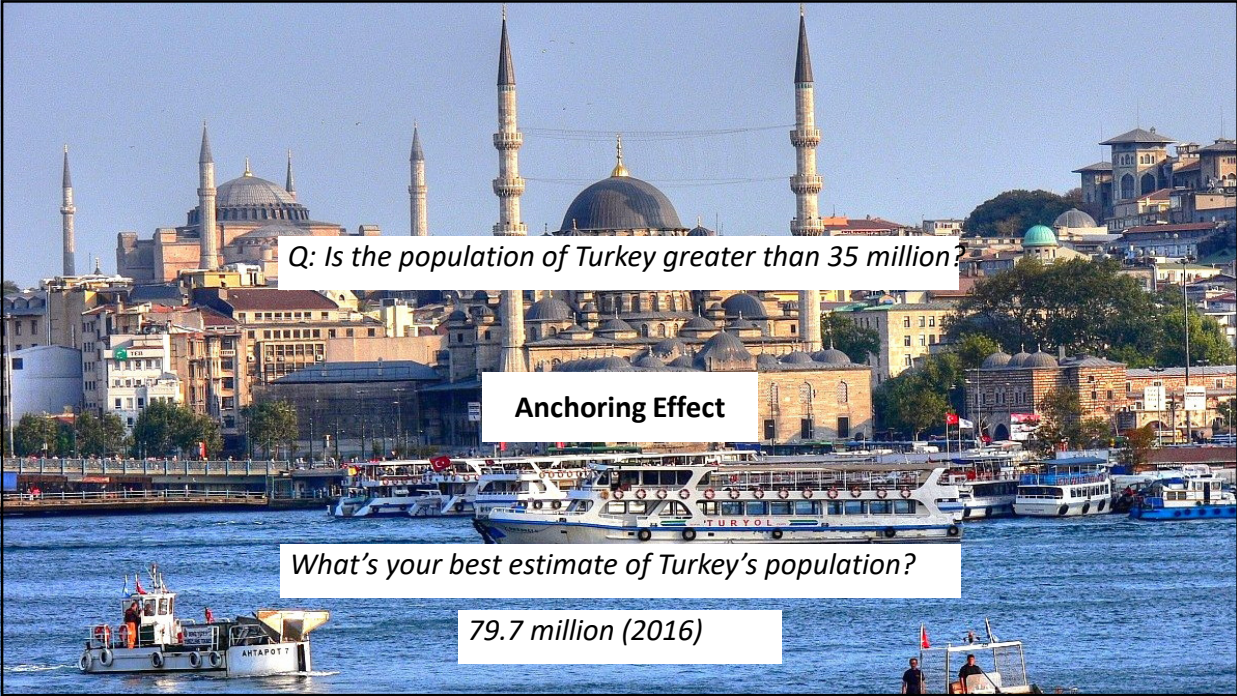
The Practice of Coaching for Wisdom

Peter J Webb and Ethan Sagan-Chang

Peter J Webb www.coachingforwisdom.com



Seeing the problem





You have \$2,000 in your bank account

Would you accept a 50:50 chance of losing \$300 or winning \$500?

Loss Aversion

Or, would you accept a 50:50 chance of having either \$1,700 or \$2,500 in your account?

Making a business decision

- You are an insurance assessor charged with minimising loss of cargo on 3 barges that sank off Port Adelaide yesterday.
- Each holds cargo worth \$200,000 which will be lost if not salvaged in 12 hours.
- A salvage company gives you 2 options, both of which cost the same:

Option A: will save the cargo of 1 of the 3 barges, worth \$200,000

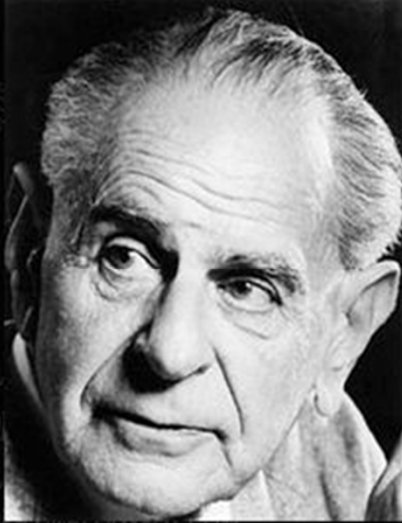
Option B: has a 1/3 probability of saving the cargo on all 3 barges, worth \$600,000, but a 2/3 probability of saving nothing.

Option A or B?

Loss Aversion



VENTUREPHILOSOPHY@BLOGSPOT.COM



If we are uncritical we shall always find what we want: we shall look for, and find, confirmations, and we shall look away from, and not see, whatever might be dangerous to our pet theories.

Karl Popper
1902 - 1994

The rise of AI (Artificial Ignorance)

"Artificial Ignorance is everywhere: the lack of political courage, the building of walls against collaboration across national boundaries, self-interest and greed which supersedes compassion. We have seemingly lost the ability to solve the global problems of our time."

13 July 2019



“Thou shalt not suffer cognitive biases nor commit logical fallacies”

The 1996 Mount Everest Disaster

Rob Hall

Adventure Consultants

- Climbed Everest 4 times
- Led 39 clients to the summit in 6 years
- Leading a party of 8
- Largest team of clients ever
- “I’m going to make the right choices”
- Methodical, organized, caring, detail oriented
- Well respected

- 2 clients and a guide died
- **Rob Hall** died

Over-Confidence Effect

- 3 Indo-Tibetan Border Police died
- **Scott Fisher** died

Scott Fisher

Mountain Madness

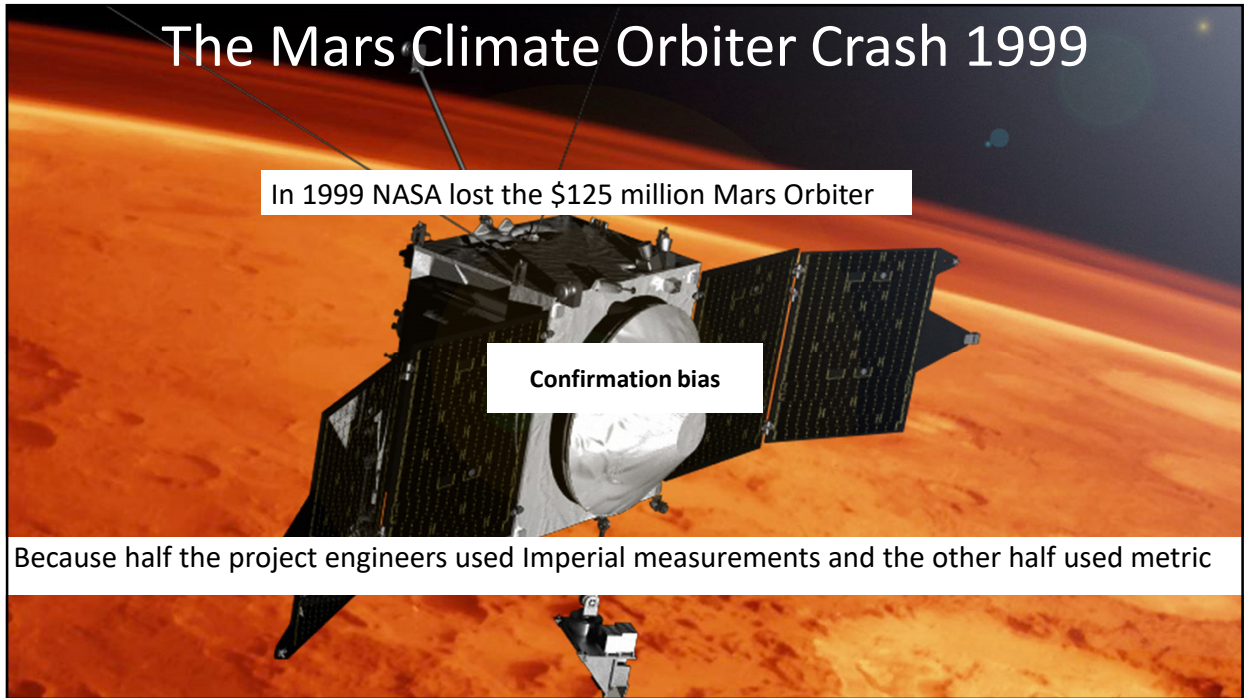
- Rival adventure consultant
- Took on a writer in exchange for publicity
- 8 people as well
- Cash-strapped business; pressure to perform
- Many clients were not fit
- Hurried, unscheduled, disorganized
- Needed to prove his competitiveness in the market

The Mars Climate Orbiter Crash 1999

In 1999 NASA lost the \$125 million Mars Orbiter

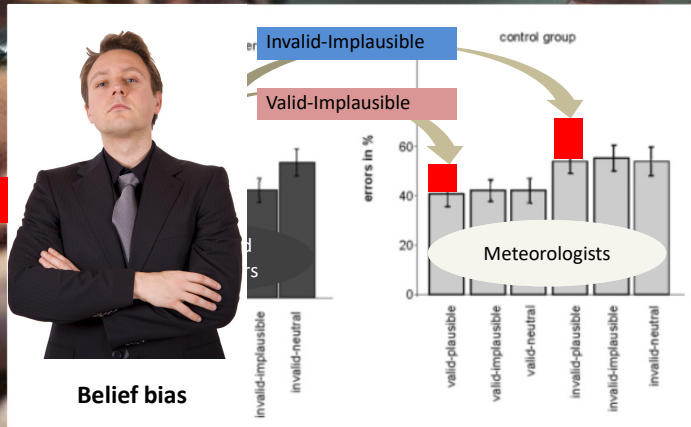
Confirmation bias

Because half the project engineers used Imperial measurements and the other half used metric

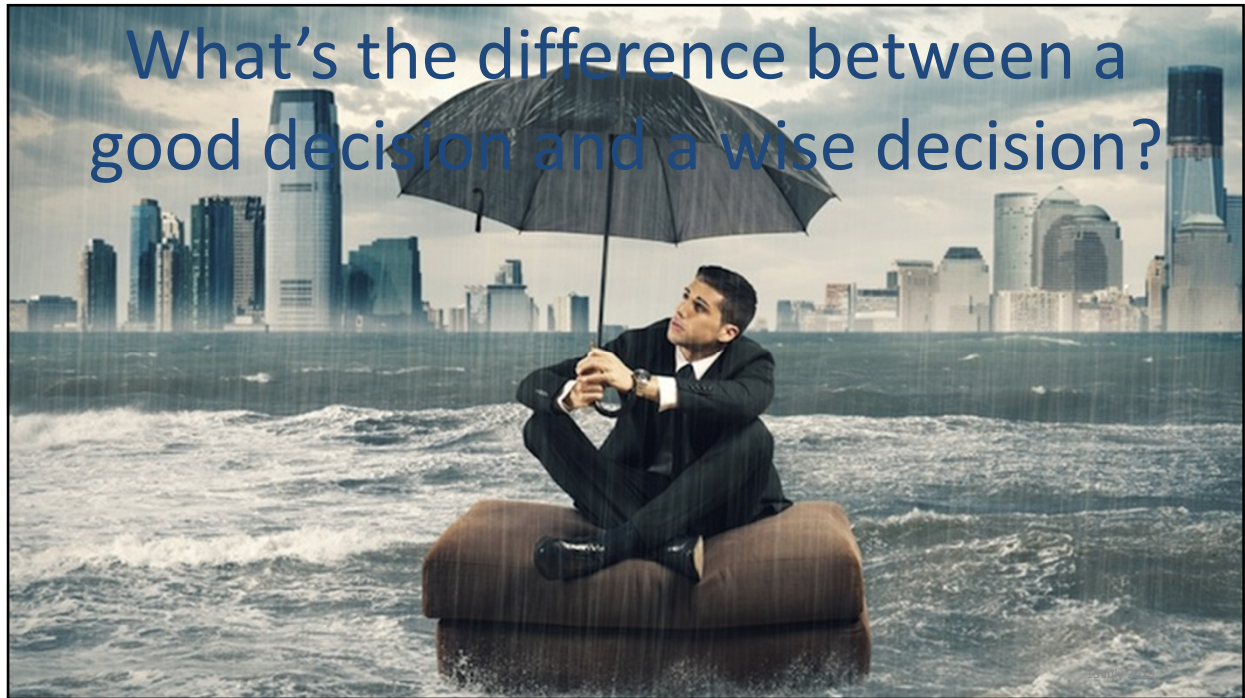


The Illogicality of Stock-Brokers

↑
Errors %



Markus Franz, Claudia Bucher, Ann G. Wolf, and Kai Hanburger (2010) The Illogicality of Stock-Brokers: Psychological Experiments on the Effects of Prior Knowledge and Belief Biases on Logical Reasoning in Stock Trading *iOS One*, 5(10): e13483 doi: [10.4373/journal.iosone.01.0983](https://doi.org/10.4373/journal.iosone.01.0983)



Wisdom research findings - summary

1. What we attend to determines the kinds of decisions we make
2. Context matters: being wise in one situation does not necessarily mean you will be wise in another
3. Neither academic intelligence nor personality play a major role in the development of wisdom-related knowledge
4. Wise thinking is a skill (which can be enhanced)
5. Wise reasoning dips in middle age and then goes up
6. Women are somewhat better at wise reasoning than men

[Paul Porges and Ursula Ravens](#), from the Max Planck Institute for Human Development, Berlin
[Howard Nusbaum](#), Director of the Center for Practical Wisdom at the University of Chicago
[Igor Grossmann](#), Director of the Wisdom and Research Lab at the University of Waterloo in Ontario, Canada
[Dilip Jeste](#), Director at the Stein Institute for Research on Ageing at the University of California San Diego

How do we nurture wise thinking
and wise decisions?

13 July 2019

Coaching for Wisdom

W

iden your view

I

nterrogate reality

S

ense what is emerging

E

nact a way forward

13 July 2019

Coaching for Wisdom



Widen your view:

- Avoid “either/or” and “whether/or not” decisions. Think AND not OR.
- Ask yourself, “what different outcomes or solutions could there be?” Generate a list of options.
- Ask yourself, “could my opinion on the situation be incorrect?”
- Find someone who has solved this problem before, or Google key words related to the issue.

Coaching for Wisdom

GET TO THE POINT



BUILDING PROFESSIONAL RELATIONSHIPS



BE CREATIVE



LEARN BY DOING



KNOW YOURSELF



TRUST



BE A VISIONARY



GET ONLINE

Interrogate reality:

- If you think your best option is correct, consider, “in what ways might this be the wrong decision?”
- Ask yourself disconfirming questions such as, “what’s the biggest obstacle to this being the right decision?” “In what ways could I fail?”
- Ask yourself, “what would have to be true for each of these options to be the best possible choice?”
- Ask yourself, “can I accept that there may be information to which I do not have access?”

THINK DIFFERENT



SHARE THE WEALTH

© 2019

Coaching for Wisdom

A woman with dark hair is looking upwards, smiling, in a park setting. The background is filled with blooming cherry blossom trees in shades of pink and white. The scene is bright and cheerful.

Sense what is emerging:

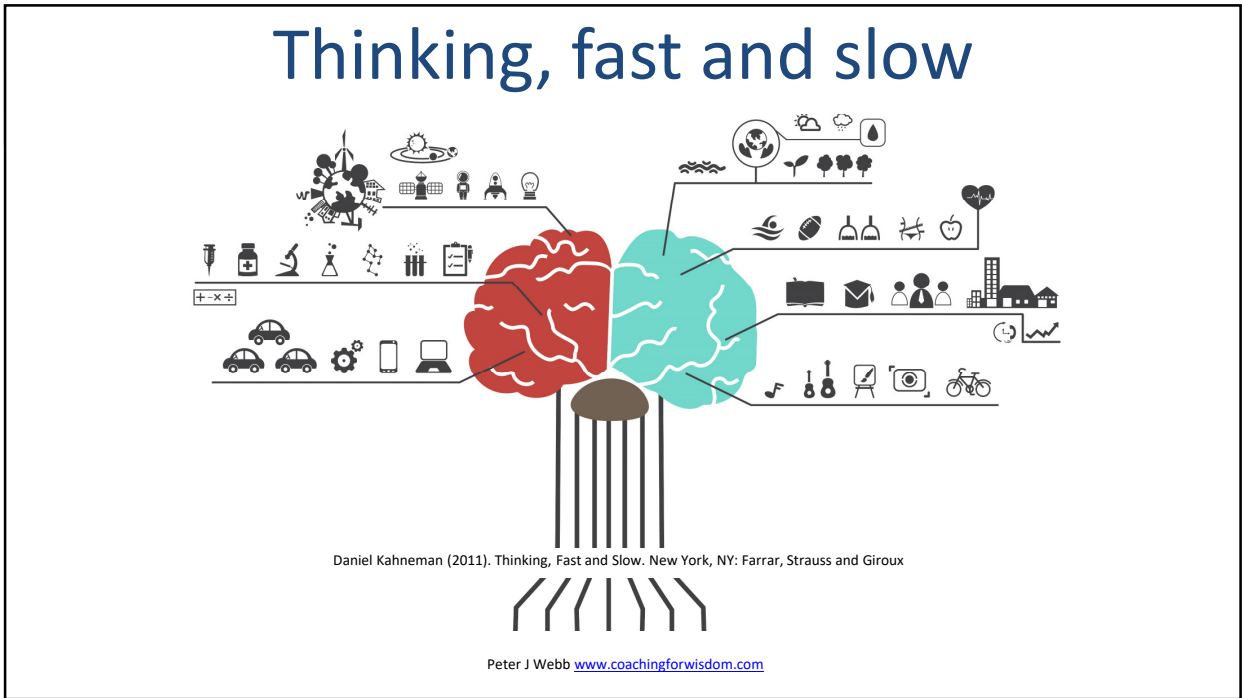
- Ask yourself, “what do I notice when I put myself in the other person’s shoes?”
“What might be that person’s perspective?”
- Ask yourself, “what might other people think or feel if they were watching the situation?”
- Retreat from the issue and allow time for stillness and reflection; let your awareness redirect itself;
Allow the inner knowledge to emerge.
- Ask yourself, “what is waiting to emerge into being through this decision?”

Coaching for Wisdom

A woman is standing in a field of tall grass, holding several colorful balloons (yellow, pink, red, and white). She has her arms raised in a gesture of joy or triumph. The background is a clear, bright sky.

Enact a way forward:

- Take the first step in the direction of the decision. Don’t procrastinate or wait for more data or analysis, it may be too late.
- Experiment and prototype, learn through taking action: “fail forward and fail fast”.
- With each action ask yourself these four questions: “What just happened? Why do I think it happened? What can I learn from this? How will I apply these learnings?”
- Take action from the predicted future state, as if you are already there.





System 1: *Intuitive* information processing

- ❖ Thinking fast
- ❖ Automatic
- ❖ Based on experience
- ❖ 'Gut feeling'

Using your innate or gut feel to quickly arrive at a decision that "feels right"



System 2: *Deliberative* information processing

- ❖ Thinking slower
- ❖ Logical
- ❖ Rational
- ❖ 'Look at the facts'

Drawing on your knowledge to analyze the information and deduce a solution

System 3 thinking



Ned's moral dilemma



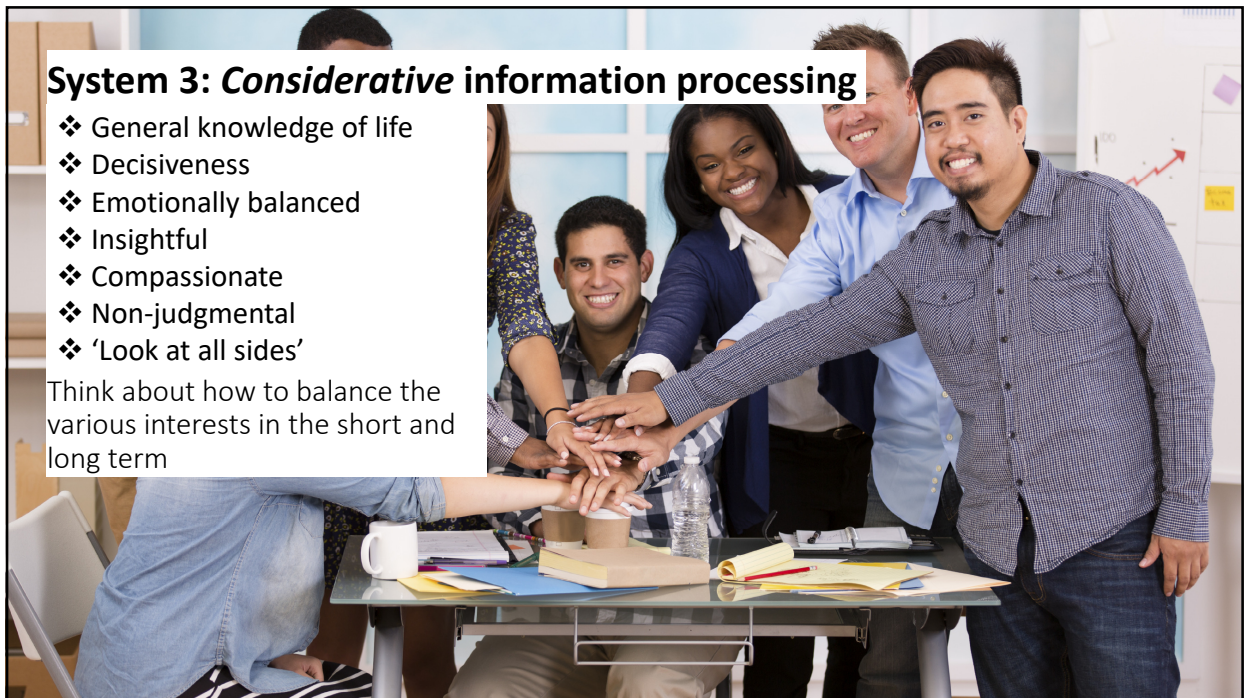
Frank's moral dilemma



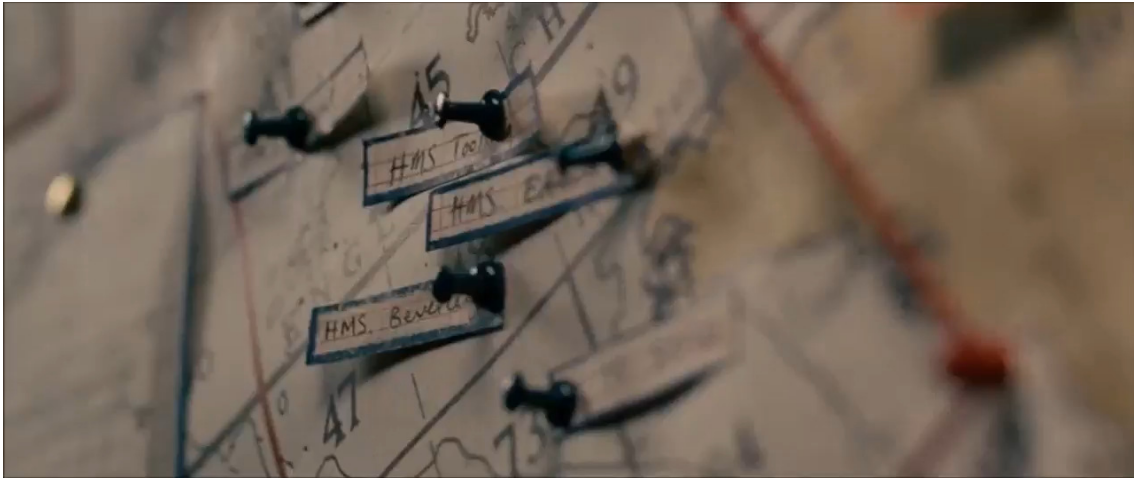
System 3: *Considerative* information processing

- ❖ General knowledge of life
- ❖ Decisiveness
- ❖ Emotionally balanced
- ❖ Insightful
- ❖ Compassionate
- ❖ Non-judgmental
- ❖ 'Look at all sides'

Think about how to balance the various interests in the short and long term

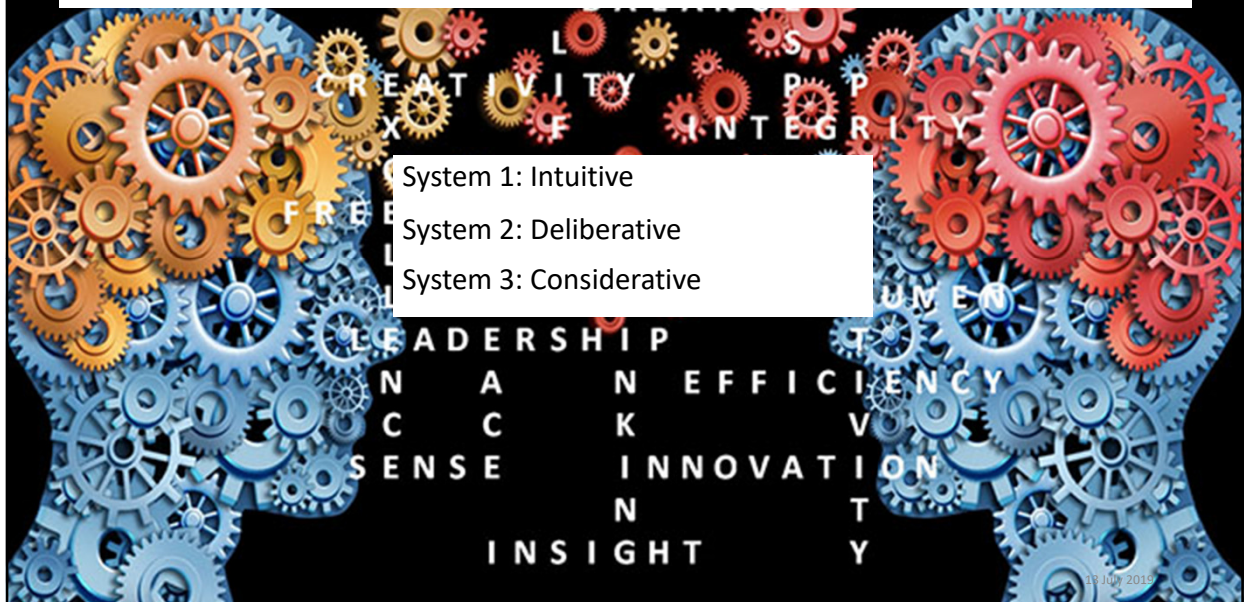


The Imitation Game



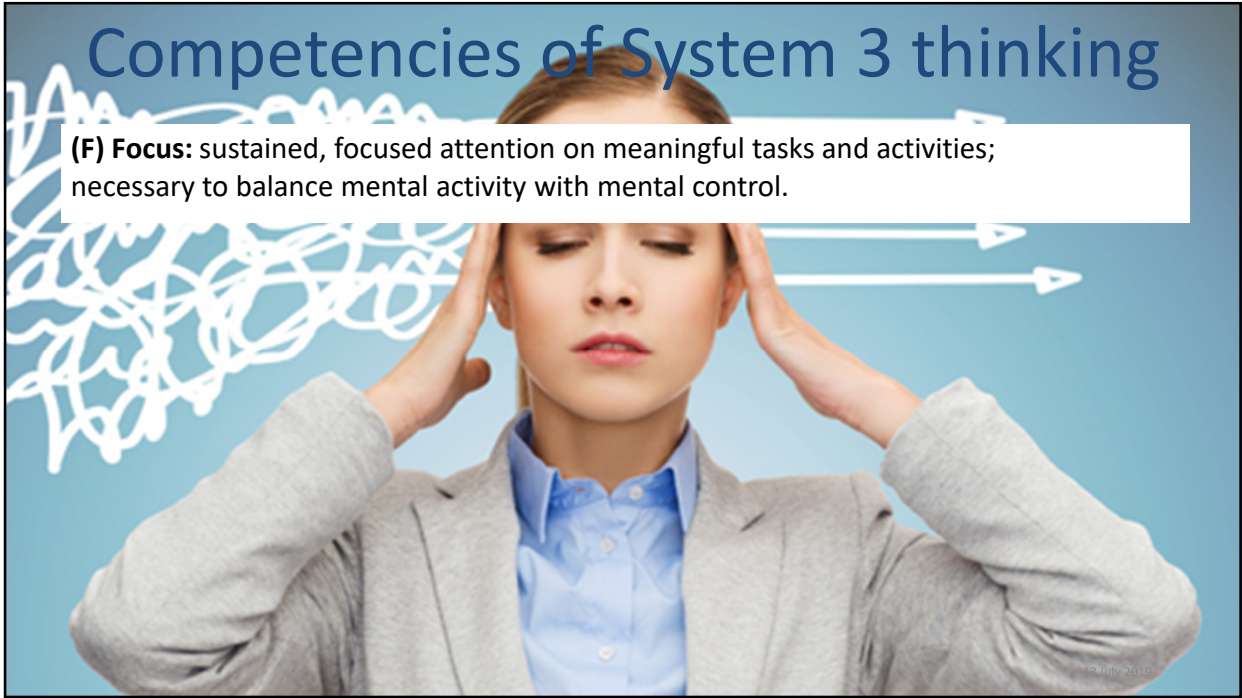
Peter J Webb www.coachingforwisdom.com

Thinking: Systems 1, 2, and 3



Competencies of System 3 thinking

(F) Focus: sustained, focused attention on meaningful tasks and activities; necessary to balance mental activity with mental control.



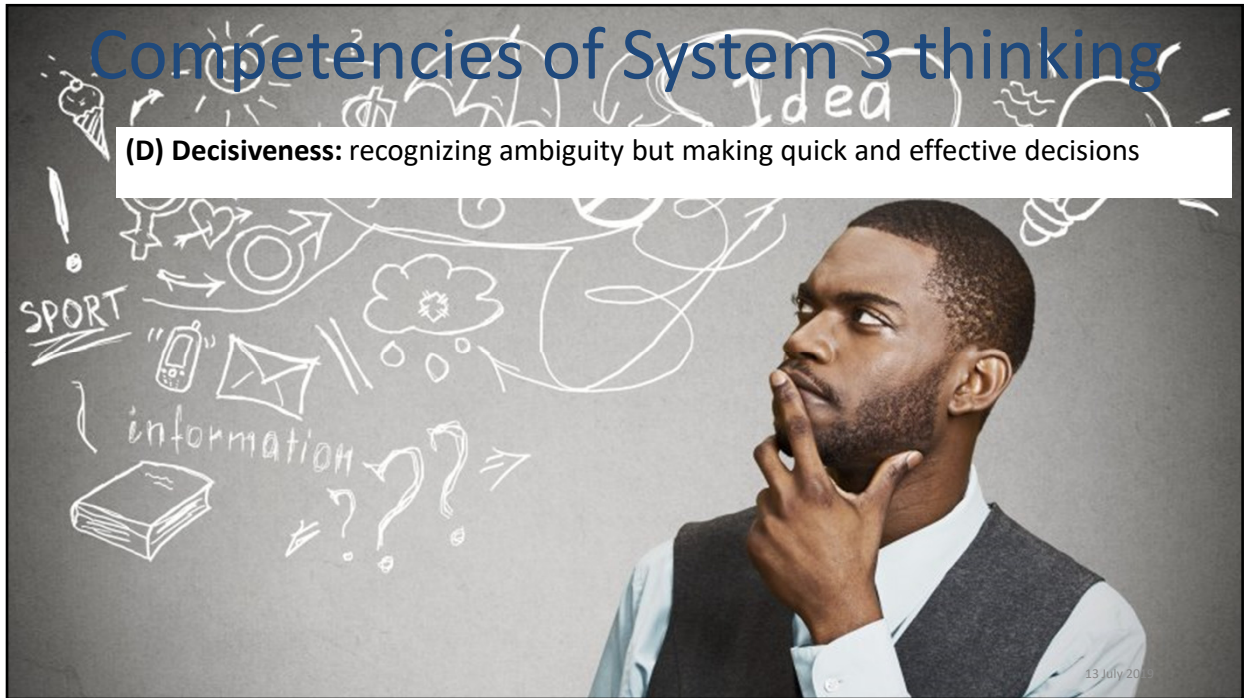
Competencies of System 3 thinking

(L) Life Experience: able to give good advice, life knowledge, and life skills



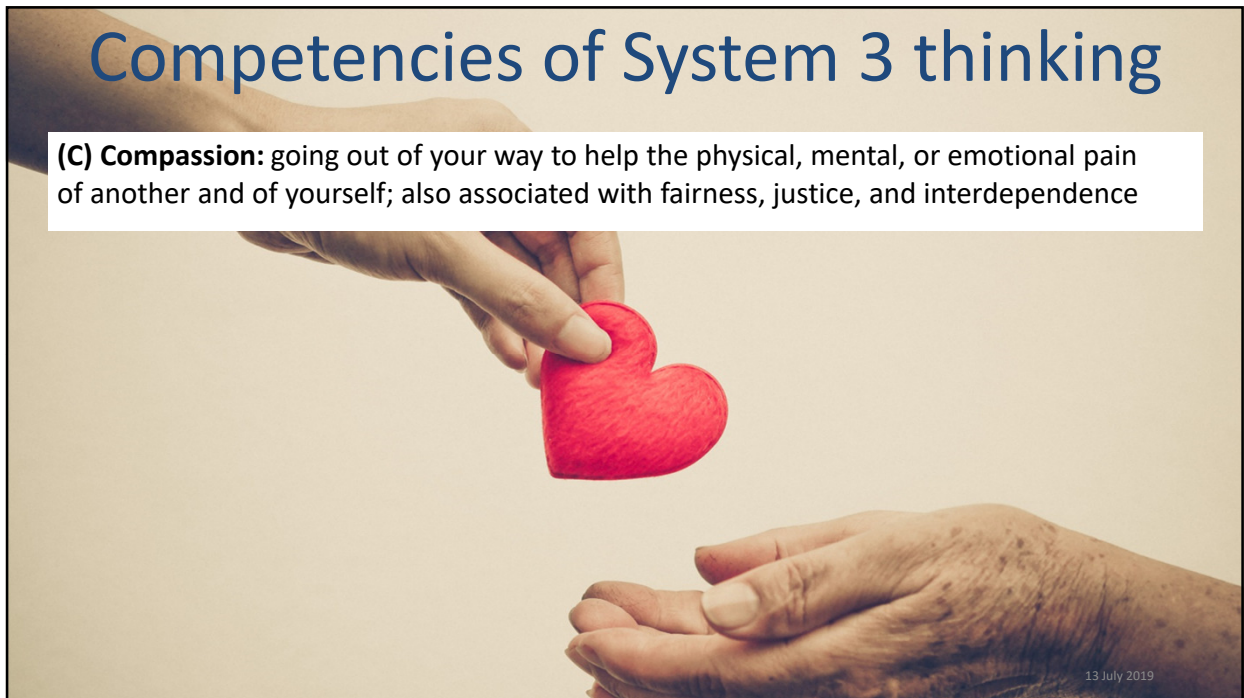
Competencies of System 3 thinking

(D) Decisiveness: recognizing ambiguity but making quick and effective decisions



Competencies of System 3 thinking

(C) Compassion: going out of your way to help the physical, mental, or emotional pain of another and of yourself; also associated with fairness, justice, and interdependence



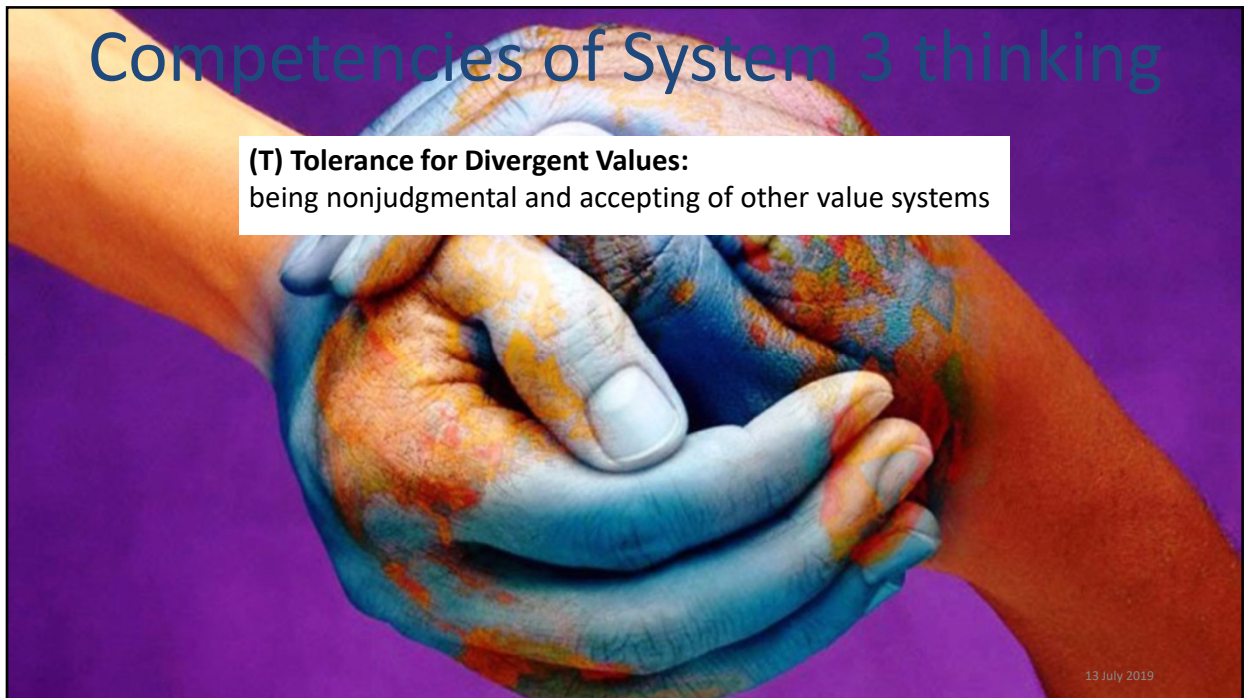
Competencies of System 3 thinking

(E) Emotional Regulation: conscious regulation of feelings and self-control



Competencies of System 3 thinking

(T) Tolerance for Divergent Values:
being nonjudgmental and accepting of other value systems



Competencies of System 3 thinking

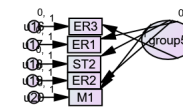
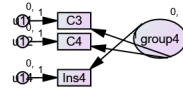
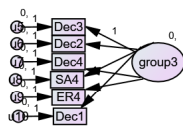
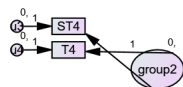
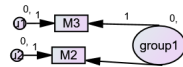


1. Focus
2. Life Experience
3. Decisiveness
4. Compassion
5. Emotion Regulation
6. Tolerance for Divergent Values

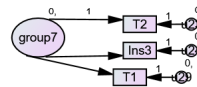


13 July 2011

System 3 thinking: T3 Profile[©]



9 factors down to 6
36 items down to 18



System 3 thinking: T3 Profile[©] - example



Peter J Webb www.coachingforwisdom.com



Coaching for Wisdom

*To love.
To be loved.
To never forget your own insignificance.
To never get used to the unspeakable
violence and the vulgar disparity of life
around you.
To seek joy in the saddest places.
To pursue beauty to its lair.
To never simplify what is complicated
or complicate what is simple.
To respect strength, never power.
Above all, to watch.
To try and understand.
To never look away.
And never, never, to forget.*



Suzanna Arundhati Roy, best-selling Indian author, 1961