

Cracking the Curiosity Code

*The Key to Unlocking Human
Potential*

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Chapter 3

Curiosity and Decision- Making

You're always one decision away from a completely different life.

Mel Robbins

Intuitively, we know that curiosity plays a role in our decision-making, but how does that work?

Research presented in 2016 found that curiosity has an impact on decision-making. By piquing people's curiosity, leaders can have the potential to increase desired behaviors, which can be important for people who might otherwise lack motivation.

In a study by Evan Polman,ⁱ people were given a choice of two fortune cookies, one plain and one dipped in chocolate. Participants whose curiosity was piqued by being told that the plain cookie contained a fortune specifically about them overwhelmingly chose the plain cookie by 71 percent. In contrast, when participants were told nothing, 80 percent chose the chocolate-dipped cookie.

This tells us that people might need to experience closure when their curiosity has been piqued. The fortune cookie experiment demonstrated that “curiosity-based interventions come at an incredibly small cost and could help steer people toward a variety of positive actions.”ⁱⁱ

Curious observation can be considered the first step in the decision-making process. Among the things that curiosity puts into motion are questioning, inquiring about things, experimentation, visualization, skepticism, evaluation, identification of different patterns, imaginative thought, logical reasoning, prediction, inference, etc.

Thus, curiosity leads to observations in which we're able to recognize issues or problems before making decisions. If we feel a sense of dissatisfaction with a situation, through curious observation we can set in motion the process to make decisions that will produce better outcomes.

Perhaps one of the biggest ways that curiosity affects decision-making is that it gives us more choices. By uncovering options, we have a better chance of reaching a more effective solution to the problem at hand.

High performers often must make tough decisions. They maintain their mental acuity in ways such as being voracious readers. In our interview, what stood out for billionaire Naveen Jain was just how much time he spent reading. His curiosity helped him learn about new areas of research or unfamiliar topics. Running a billion-dollar company requires a lot of decision-making. To ensure that he makes good ones, Naveen and leaders like him spend a lot of time reading.

Julian Hayes II in *Inc.* magazine explained it this way: “Exposing yourself to new ideas and environments is powerful because of its effects on your brain chemistry and outlook on the world which leads to healthier *decision-making*. At the basis of all of this lies *curiosity* which is a key driver for innovation along with improving your working memory.”ⁱⁱⁱ

In *Harvard Business Review*, Dr. Terri Cooper, principal and chief inclusion officer at Deloitte Consulting LLP, shared insights from what she learned regarding the six signature traits of inclusive leadership. These six signature traits are cultural intelligence, collaboration, commitment, courage, cognizance, and curiosity. As she explained, “*Curiosity* isn’t passive. It’s very active. *Curiosity*’s about showing appreciative inquiry, bringing open mindset and true desire to know your people. Leaders who show these traits actively seek the perspective of diverse others in ideation and *decision-making*.”^{iv}

It seems that the more curious people are, the more alternatives they’re able to generate when making tough decisions. Some may prefer the simplistic approach (e.g., Do I choose A or B, black or

white?). However, those who actively engage their curiosity to generate more alternatives always seem to make better, higher quality decisions.

In my work, I'm frequently involved in decisions to select speakers and interviewees for my presentations and radio shows. Since I've been deliberating on this topic of curiosity, I've become increasingly curious about some of my decisions.

Sometimes, I find myself choosing based on biographies alone. Other times, I sense something about a potential guest that makes me want to know more. It could be a photograph, a tagline, or a seemingly insignificant reference in a bio that attracts my attention. I often review several bios that may seem similar, and I end up selecting people based on my gut instinct.

Michelle Tillis Lederman is a perfect example. I chose her to speak at a recent *Forbes* event. Here's why.

Michelle was named one of *Forbes'* Top 25 Networking Experts. A CEO, she has written three books and been featured in the *Wall Street Journal* and *New York Times*. Others I considered had equally as remarkable backgrounds as Michelle. However, in retrospect, I chose her because of gut instinct as much as her impressive résumé. My instinct paid off because she delivered an impactful speech.

This is where experience becomes part of the calculation. Having made hundreds of choices in just as many similar situations, I let my gut decide, and based on my experience, when all else is equal, my gut has served me well.

Five Fundamental Steps of Decision-Making

Decision-making, as classically described, involves these five fundamental steps:

- 1) Define the problem or issue.
- 2) Define the goal or resolution.
- 3) Generate alternative solutions that could achieve the goal.
- 4) Analyze and decide which alternative best achieves the goal.
- 5) Implement the selected alternative.

Sounds simple, right?

However, these five steps do not always lead to a positive outcome. Some major decisions that employed this formula have led to disastrous results.

For example, dating as far back as the 1950s, Ford Motor Company used this process to decide how best to compete with the ever-popular '57 Chevy. That decision resulted in the Edsel, a car that failed badly in the marketplace.

In the 1980s, Kodak dominated the photography market worldwide. As the age of technology emerged, the company owned the patents to an obscure phenomenon called digital photography. The leaders feared that if they productized and sold the new technology, it would cause a decline in their film sales. Using the classic decision-making process, they decided to forgo the new technology to protect their dominance in film-based photography. Of course, digital photography took over the industry, and if the company had focused more on digitization, chances are it would be thriving today.

In 2000, an obscure video company called Netflix pitched an offer to Blockbuster, the most dominant player in the video rentals market, to become a partner for online rentals. After analyzing the offer using this standard model, Blockbuster's leaders concluded that there was little or no market for online video rentals. They decided to pass on the offer. What happened? Blockbuster went out of business, and in 2018, Netflix had 124 million paying subscribers in over 190 countries and \$7.6 billion in revenue.^v

So much for this decision-making process as a standalone method for making sound decisions.

Both industry and government organizations have been applying this standard decision-making process since the creation of business schools, yet both are littered with disastrous results. So, what *does* lead to sound, creative decision-making? And what role, if any, does curiosity play in our decision-making process? Does it aid or hinder it? Is curiosity even a factor? Should it play a more prominent role?

My research says absolutely yes.

For example, curiosity has been used to increase traffic to websites with enticing headlines such as, "You won't believe what happened next," or "You'll be shocked when you see this." Called "click bait," these headlines typically aim to exploit our curiosity gap by providing just enough information to make us curious but not enough to satisfy that curiosity without clicking the link. We want to obtain the desired information.

OK, so we know that we can be enticed by our curiosity. But can our curiosity serve as a guide in making better and smarter decisions?

My research again says yes. In fact, scientists say that curiosity is the first step in our decision-making process, though unconsciously so in many cases. Behaviorists use the term “curious observation” to describe this phenomenon.

Researchers have shown that when people are confronted with choices, we are instinctively more curious about some choices than we are about others. They conclude that we should train our curiosity to become more explicit in that process. By making a more conscious effort to apply that to potential choices, we gain more knowledge about each particular option. In that way, we become smarter about selecting or de-selecting those options.

Whether consciously or unconsciously, curious observation is inherent in considering alternatives in the decision-making process. Scientists simply encourage us to be more explicit, more conscious in applying this natural phenomenon as part of our decision-making.

We’ve heard the phrase “seize the moment.” In this case, we’re encouraged to seize the curiosity. That curiosity, according to the research, stimulates a variety of other healthy processes including questioning, experimentation, visualization, skepticism, evaluation, identification of different patterns, imaginative thought, logical reasoning, prediction, and inference. Collectively, these curiosity-driven processes are inclined to lead to smarter decisions.

It’s through these things combined, curiosity and observation or curious observation, that we make decision-making easier and more effective.

Don't be intimidated by what you don't know. That can be your greatest strength and ensure that you do things differently from everyone else.
Sara Blakely

What about the range of alternatives we allow ourselves to consider in making bold or difficult decisions? Do we have the proper mindset to explore creative, out-of-the-box options in our decision-making process?

Stanford psychologist Carol Dweck researched how our mindset affects our decision-making process, especially when in a competitive or challenging situation requiring new, creative ideas.

In her work, she found that having a fixed mindset (limited ability to be open to new ideas) has a dramatic effect on being able to seek out creative alternatives. When our situation requires us to consider fresh, off-the-wall ideas for solutions, having an open mindset is critical.^{vi}

As researchers suggest, being open to considering unusual or unheard-of alternatives and vigorously applying curiosity to each of those alternatives are critical. If these two things are happening, we become more effective decision-makers.

In 1968, the USS *Pueblo*, a spy ship, was fired upon and captured by North Korean military forces.^{vii} One American was killed, and the remaining crew members were held captive. The incident became a major political crisis for President Lyndon Johnson, and the entire country became fervently anti-Korean, North or South.

About this time, Burger King, the fast-food giant, was scheduled to entertain Korean executives at its national headquarters in

hopes of expanding into the Asian market. Burger King leaders had planned to fly the flag of their guests in front of their headquarters for the visit. The local community was in an uproar, and news of the pending visit quickly spread across the United States.

Burger King leaders were confronted with two options. One was the unenviable choice of offending their guests and potentially losing the prospects of expanding into the entire emerging Asian market. The other was losing the loyalty and trust of their local community and customers across the country. Either way, it felt like a lose-lose proposition.

“Would Burger King executives be willing to consider a third, more off-the-wall alternative?” one employee asked. “What if a maintenance truck ‘accidentally’ backed over the flagpole, requiring the flag ceremony to be held indoors, out of the view of the local community?” The executives would profusely apologize for the unusual circumstance to their foreign visitors, he suggested. At the same time, they would protect their reputation and market viability with U.S. customers. And that’s what Burger King did.

In this case, openness to creative alternatives and the curiosity to explore them saved the day.

There is, of course, a potential downside in unleashing our curiosity to generate more creative alternatives. We’re talking about that dreaded decision-making roadblock, analysis paralysis.

As we become more curious, we obtain more information. As we obtain more information, we consider more choices. When do we

stop the process of exploring and simply decide? Can curiosity help us with that?

Once again, researchers say yes.

We are reminded that curiosity is considered an intrinsic motivation, which means that we derive some fundamental reward from exploring alternatives during the decision-making process.

This is where intuition steps in. That is, the same curiosity that helps us to generate creative alternatives also tells us when we've reached a point of diminishing returns and it's time to decide.

Like curious observation and openness to new ideas, intuition is essential in creative decision-making, especially when we lack knowledge about an unfamiliar topic. Intuition, accompanied by curiosity, helps us know when we have enough knowledge, when to close down the exploration, and when to act.

In *What Makes an Effective Executive*, Peter Drucker, the famous management guru, says, "Before you can make the right decision, get the knowledge you need."^{viii}

Curiosity is the source of that knowledge.

ⁱ <https://www.apa.org/news/press/releases/2016/08/curiosity-behavior.aspx>

ⁱⁱ Ibid.

ⁱⁱⁱ <https://www.inc.com/julian-hayes-ii/6-habits-high-performers-use-to-stay-sharp-confident-productive-according-to-neuroscience.html>

^{iv} <https://hbr.org/sponsored/2018/01/the-six-signature-traits-of-inclusive-leadership>

^v <https://www.forbes.com/sites/greatspeculations/2018/09/12/a-closer-look-at-netflixs-valuation/#53ce2f617bbf>

^{vi} <https://www.amazon.com/Mindset-Psychology-Carol-S-Dweck/dp/0345472322>

^{vii} <https://www.history.com/this-day-in-history/uss-pueblo-captured>

^{viii} <https://www.amazon.com/Effective-Executive-Harvard-Business-Classics/dp/163369254X>