Choice Architecture

The way choices are presented to us matters! It can greatly influence how we make decisions. We are human after all, and can't help but be affected by the frame of the situation. It is emerging that homo economicus is increasingly showing signs of choice stress, due to information overload and general modern-day complexity. In ‘Nudge', Richard Thaler and Cass Sunstein argue that people make many more decisions reactively and in-the-moment than analytically, drawing on arbitrary factors – product packaging, convenient access, simplicity or brand familiarity – as the primary basis of choice. Many of those situations in which we face choices are designed 1in some way. Bathroom urinals in Amsterdam's Schiphol International airport benefitted from Choice Architecture - exploiting men's deep-seated instinct to aim at targets - to reduce spillage:

> As all women who have ever shared a toilet with a man can attest, men can be especially spacey when it comes to their, er, aim. In the privacy of a home, that may be a mere annoyance. But, in a busy airport restroom used by throngs of travelers each day, the unpleasant effects of bad aim can add up rather quickly. Enter an ingenious economist who worked for Schiphol International Airport in Amsterdam. His idea was to etch an image of a black house fly onto the bowls of the airport's urinals, just to the left of the drain. The result: Spillage declined 80 percent. It turns out that, if you give men a target, they can't help but aim at it.

Likewise, the particular arrangement of soup cans on the shelf at the supermarket, the layout of the form you are required to fill out to select your health insurance coverage, etc. were all designed by someone. These designers, or choice architects, play a bigger-than-expected role when it comes to influencing those choices exactly. Therefore, choice architects play a role because framing matters. Similarly, having too much choice - also known as the Paradox of Choice - can be less than optimal for my decision making. For consultants, coach your customers to think through the choice architecture. The options that you present to your clients matter. When you storyboard recommendations, and present options, put the best one first. Don't bury your best thought in the middle of the deck. Doing nothing a.k.a. Status Quo is also a choice. Don't forget that your client's

organization has a default choice too. The status quo option for them is to not implement your recommendations; it is far easier for them to do nothing and just ignore the changes you are recommending. It is not enough to argue with logic [head]. You have to provide the passion [heart] which motivates them to act, and give them the tools [hand] to make it easy to repeat and implement the change. Persuade by using head, heart and hand by using implementation roadmaps, status update templates, savings trackers, or even email drafts of communications.