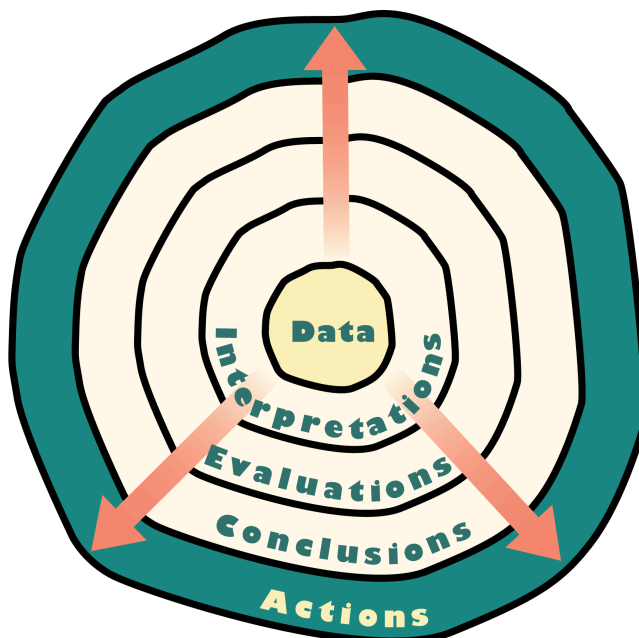


## THE CIRCLE OF ASSUMPTIONS

When discussing an issue or solving a problem, people often jump to conclusions before they identify what the actual problem is – or what data they have at hand. This tool provides an orderly way to think about problems, starting with data and building toward conclusions. It enables us to see how our eventual conclusions are influenced by each step along the way – and how our decisions can be distorted by our failure to be aware of our own assumptions.



Ring	Definition
<b>Data</b>	Observable data and experiences, as a camera might record them.
<b>Interpretations</b>	Data we select from what we observe, often based on our own beliefs and other filtering systems.
<b>Evaluations</b>	Value judgments and meanings that we add, often laden with emotion. Words like "right" and "wrong" or "good" and "bad" creep into our language.
<b>Conclusions</b>	Statements that indicate our mind is made up. Over time, our conclusions become the basis for our beliefs.
<b>Actions</b>	Decisions reached and steps taken.

The Circle of Assumptions reminds us that as we move from data to conclusions, we make assumptions at each step along the way. Some of our assumptions may be well-reasoned; other may not. In order to have a productive conversation, we need to assess what people really know, and what they think they know. The Circle of Assumptions teaches us to identify the relevant data before we reach decisions, to keep checking our assumptions, and to ask questions before we assert our conclusions.

Skillful facilitators of communication model this by asking questions about their own assumptions:

- “Help me understand: What do we actually know about the situation?”
- “What are some alternative ways to interpret the information we have?”
- “What information, if we had it in our hands right now, would change our thinking about this issue?”

These kinds of questions set the stage for other people to engage in similar self-scrutiny. When people focus on the assumptions they’re making and the data that they’re missing, it allows them to move forward with a common set of facts and agreed-upon assumptions, rather than on untested assumptions.

Here’s an example of how this can affect our communications:

Your boss is leading a discussion of the launch of a new software product. He’s laying out the production schedule. One of your co-workers says, “If the launch is in 12 weeks, and we’re still in the testing phase, then we’re already two weeks behind schedule.”

At that moment, your boss pulls out a project schedule and says: “If you look at our schedule, you’ll see we’re exactly where we planned to be. Because of our new supplier, we can get product in the stores in less than eight weeks. We’re actually one week ahead of schedule.”

As your co-worker looks away, you thank your lucky stars that you weren’t the one to jump to conclusions and speak up so quickly!

## How the Brain Works To Reinforce Assumptions

Various mechanisms in our brains are thought to reinforce the assumptions we make – and lead us to sometimes make erroneous assumptions. Three of those mechanisms are briefly covered below:

1. Confirmation bias
2. Cognitive dissonance
3. Assumption of personal competence

Our brains are wired to search for, interpret and recall information that supports our previously-held beliefs, values and assumptions. This phenomenon, which psychologists refer to as “confirmation bias,” causes us to ignore viewpoints that are not aligned with our own.

When we state a conclusion or make an assumption, and then hear data that doesn't support that assumption, it can trigger confirmation bias: we argue in support of our beliefs and disregard new information that is introduced. We can get caught in self-justifying feedback loops, where we become blind to data that does not reinforce our previous statements or assumptions.

This tendency to filter out data that doesn't support our conclusions is linked to "cognitive dissonance," which occurs when we are confronted with two conflicting streams of thought. Coping with these contradictory experiences causes psychological stress. As a result, people weed out the evidence or avoid the information that causes the dissonance in order to bring down their levels of stress.

Another factor that's important to understand is the assumption of our own competence. In essence, we tend to perceive ourselves as more competent and infallible, not prone to error. This assumption of our competence is thought to have played an ancient role in our survival by helping early human beings feel in control – despite overwhelming odds. Today, it can result in self-justifying feedback loops, where we assume we know more than we do, or have more power to affect a situation than we do.

Here are some examples of assumptions at work:

- A management team is examining strategic options. The CEO says, "It all boils down to pricing. If our competitor cuts his prices by \$1, then we'll do the same. It's as simple as that." (In this case the assumption on the part of the CEO is that she sees all the relevant market factors. A second assumption is that pricing is the most important market driver, and that pricing flexibility is thus the only factor in question.)
- A team is developing options for a new product. The team leader says, "We've got the best minds we need in the room, right here. Let's hear your ideas. From there, we'll develop a plan." (In this case, the leader's assumption is that outside viewpoints would not add value. He could have said: "We want to get all the possibilities on the table. Who else should we talk to before we start narrowing our options?")

## Summary

To solve complex problems or make plans for the future, people need to discuss their assumptions in a productive way. The Circle of Assumptions provides a framework to help people develop a set of agreed-upon facts and assumptions. It also teaches us that the most important assumptions to examine are always the ones that people cling to most dearly.

From a management perspective, this is a skill we need to model ourselves before we can ask it of others. By inviting other people to test our assumptions, and setting the example of asking questions first, we model a behavior that everyone can use in identifying and agreeing on a set of assumptions to use in planning the best course of action.