

Twitter Thread by [Divya Mittal](#)

[Divya Mittal](#)

[@divyamittal_IAS](#)



Making the right decision at the right time is critical to success in life.

Here are 4 decision models used by 4 stalwarts - Jeff Bezos, Charlie Munger, Elon Musk and former US president Eisenhower.

A thread ■

1. Reversibility - Used by Jeff Bezos

Categorizes decisions based on whether they are reversible or irreversible

■ Reversible - 2 way door: Can go back from decision with less/no cost

■ Irreversible - 1 way door: If enter once, can't exit (Or the cost is very high)

■ Reversible: decide quickly without perfect process. Dont take much time.

(This is not to be reckless though)

■ Irreversible: Decide slowly and take as much information into account as possible

When Bezos was deciding to leave his job at DE Shaw to start Amazon, he thought that he could come back to job if Amazon doesn't work. So it was a reversible decision.

He decided to launch Amazon quickly. He got the first mover advantage and the rest is history!

2. Inversion - Charlie Munger

Instead of thinking what would make you successful, first see what would make you fail. Then remove those things.

If you are following a goal, first see what can kill it for you. Avoid that.

■ Avoiding stupidity comes before seeking Brilliance

He said, "I invert all the time"

He was a weather forecaster when I was in the Air Corps. Instead of thinking of all possible uses of his maps, he questioned how could he kill all the pilots (Pilots used his maps the most).

Then he just avoided those hazards

Examples of using inversion:

■ Exams- What would make me fail this exam?

■ Trading- How do I blow up my account?

"All I want to know is where I am going to die, so I'll never go there" - Warren Buffett

3. First principles thinking - Elon Musk

To solve a problem creatively, instead of building on the mainstay thinking, start from the fundamentals.

This is an extension of the scientific method. Take only the fundamental truths and then question everything else (Eg. follows)

Battery for Tesla:

Battery packs were expensive - > \$600 per kWh

-What are their material constituents?

-What is their bulk market price?

It's got cobalt, nickel, aluminum, carbon etc. Price on London Metal Exchange was \$80 per kWh.

This fundamentally changed the business

4. Eisenhower box - for prioritizing

■ Categorize decisions on Important vs Urgent matrix

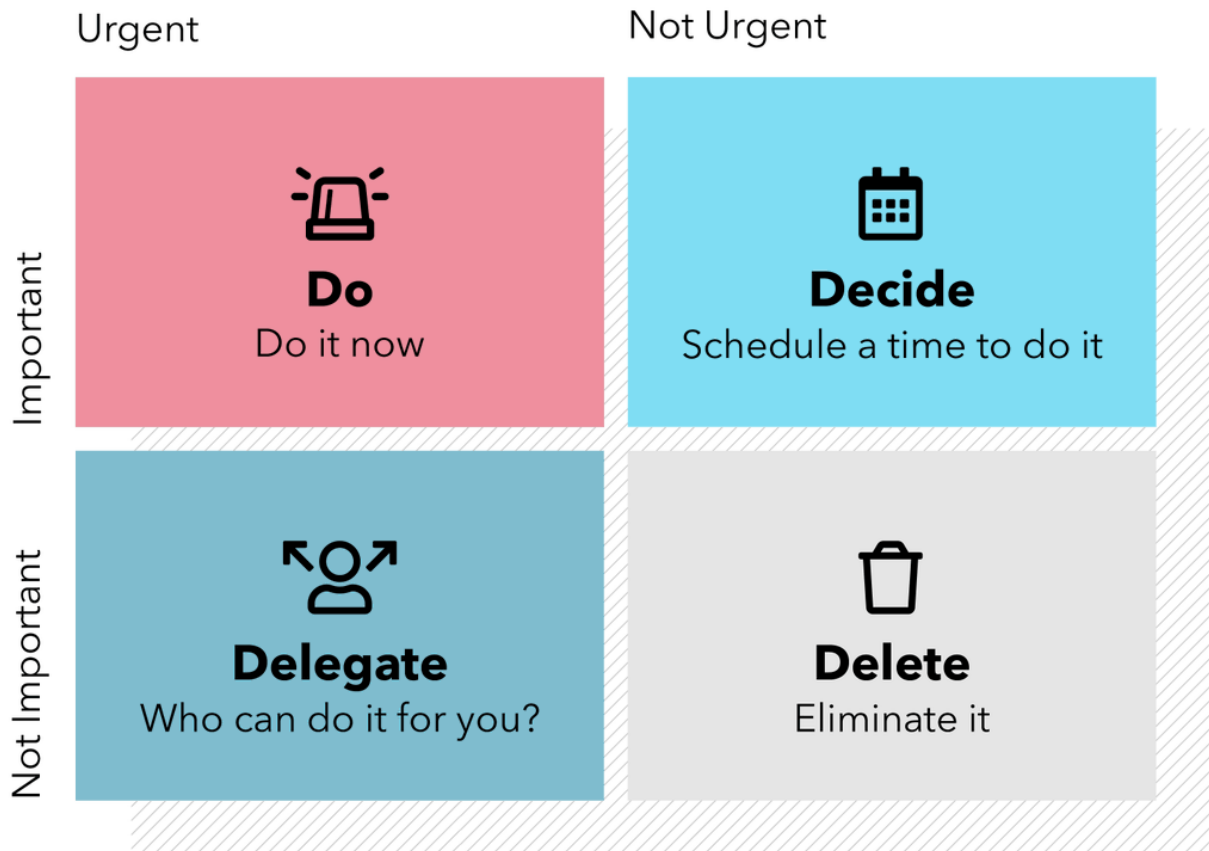
- Urgent and important - Do

- Important but not urgent - Schedule for later

- Not important but urgent - Delegate/Outsource

- Don't waste time on not urgent and unimportant

The Eisenhower decision matrix



Not all are born good decision makers. Such frameworks can help us in making better decisions.

Follow me [@divyamittal_IAS](https://t.co/ygghtz93n3f) for more of these <https://t.co/ygghtz93n3f>

Making the right decision at the right time is critical to success in life.

Here are 4 decision models used by 4 stalwarts - Jeff Bezos, Charlie Munger, Elon Musk and former US president Eisenhower.

A thread \U0001f9f5

— Divya Mittal (@divyamittal_IAS) [October 26, 2022](#)