

Heuristics

Heuristics are decision-making techniques that simplify the process of coming to a reasonable decision when the "perfect" decision is unreachable or unknowable. Heuristics may be understood as mental shortcuts that enable individuals to make quick decisions, rather than taking the time necessary, or avoiding the decision-making process altogether. Behavioral economist Herbert Simon argued that, when faced with complex decisions, individuals resort to heuristics.¹

Next: [Simple trade-offs](#)

¹ http://www.economicsonline.co.uk/Behavioural_economics/Decision_making_bias.html.
