

1 Article

## 2 Improving Decisions to Mitigate the Risks of 3 Organizational Accidents

4 Scott Jackson <sup>1</sup> and Avi Harel <sup>2</sup>

5 <sup>1</sup> Burnham Systems; jackson@burnhamsystems.net

6 \* Correspondence: jackson@burnhamsystems.net; Tel.: +01-949-726-2003

7 <sup>2</sup> Ergolight; ergolight@gmail.com; Tel: +972-54-453-4501

8 **Abstract:** This paper examines cognitive biases which affect the ability of decision makers to make rational  
9 decisions in an organizational context. The motivation for this analysis begins with the observation of  
10 catastrophic accidents caused by human error but in an organizational context. This paper expands on the  
11 concept of cognitive bias to define organizational biases which are the factors that affect decisions in an  
12 organizational context. The paper distinguishes between organizational biases, which are the focus of this paper,  
13 and individual biases, which are biases experienced by individuals but may have organizational consequences.  
14 **The purpose of this paper is to identify methods to mitigate the risks of organizational accidents, accidents**  
15 **which involve many people operating at different levels of an organization.** The methodology is to identify  
16 those decisions that would address the specific organizational biases. The focus of this paper is the decisions for  
17 mitigating the risks associated with decisions in an organizational context. Results are shown for seven  
18 organizational biases, six specific case studies, and four decision options. This paper concludes that  
19 organizational biases are intrinsically different from individual biases and that these differences lead to different  
20 decision options from those that mitigate individual biases; however, they may exist concurrently.

21 **Keywords:** cognitive bias; organizational bias; decision options; risk; catastrophic, organizational  
22 accidents; human error; hierarchy; culture; policy; procedures

---

### 24 1. Introduction

25 This paper examines accidents that occur in an organizational context, the biases that may contribute  
26 to those accidents, and the organizational characteristics that may contribute to those biases. These  
27 biases are an extension of the individual cognitive biases identified by Kahneman [1] and Thaler [2].  
28 This paper is also an extension of previous work by the author in [3] and [4]. Section 1 summarizes  
29 past work pertaining to the concepts of biases, rationality, and organizational accidents. Section 1  
30 also discusses areas of disagreement regarding the concept of cognitive biases. Section 2 introduces  
31 and defines the concept of organizational biases and explains how they differ from individual biases.  
32 Section 3 presents case studies which illustrate the effects of organizational biases. Section 4 identifies  
33 options that have the potential for improving decisions in the face of organizational biases.

#### 34 1.1 Organizational accidents

35 Reason [5] (p. 1) states that an organizational accident is different from an individual accident. He  
36 says that organizational accident as accidents that occur in an organizational context. He says that an  
37 individual accident is one in which a specific “individual person or group is often both the agent and

38 victim of the accident." An organizational accident, on the other hand, is an accident with "multiple  
39 causes involving many people at different levels of a company." A hierarchical structure is an  
40 example characteristic of an organization that may contribute to organizational accidents. The  
41 organization's culture is another characteristic.

## 42 1.2 Cognitive bias and irrational decisions

43 Accidents can be caused by irrational decisions at both the individual and organizational level. The  
44 root cause of irrational decisions is called *cognitive bias* as defined by Chegg [6] as "a mistake in  
45 reasoning, evaluating, remembering, or other cognitive process, often occurring as a result of holding  
46 onto one's preferences and beliefs regardless of contrary information." Wikipedia [7] has compiled  
47 an extensive list of cognitive biases from various sources. Most of the cognitive biases listed in the  
48 literature qualify as individual biases since they are biases experienced by individuals. One of the  
49 more well known individual biases is the *confirmation bias* which according to Wikipedia [7] is "the  
50 tendency to search for, interpret, focus on and remember information in a way that confirms one's  
51 preconceptions." This bias, and others, may have organizational consequences, but the focus of this  
52 paper is on biases that have an organizational origin.

53 Some researchers have noted that in some instances biases may be beneficial. For example,  
54 Haselton *et al* [8] state that biases enable "selection may favor useful short-cuts that tend to work in  
55 most circumstances." Nevertheless, the focus of this paper is on biases that have been shown to  
56 degrade the ability of a decision-maker to make decisions in an organizational context and have been  
57 a factor in major catastrophes.

58 Other researchers for example Soll *et al* [9] have observed that there are two methods of  
59 reducing bias: modify the person or modify the environment. These two methods are compatible  
60 with the biases discussed in this paper. Modifying the person, for example, pertains to internal biases,  
61 that is individual biases. Modifying the environment, in this paper, has to do with modifying the  
62 organization which is the root of the organizational biases, the subject of this paper. Hence, for the  
63 purpose of this paper, the organization is the environment of interest. These categories, in particular  
64 modifying the environment, allow us to focus on the organizational biases.

65 In the end this paper concludes that organizational biases are intrinsically different from  
66 individual biases and that these differences lead to different decision options from those that mitigate  
67 individual biases. It also concludes that implementation of these decisions is dependent on whether  
68 the organization is overseen by an outside authority or is an independent enterprise.

## 69 1.3 Rationality

70 The definition by Webster [10] of rationality is "the quality of being based on or in accordance with  
71 reason or logic." In the context of economics and decisions, according to Kahneman [1] (pp. 411-412)  
72 "rationality is logical coherence, reasonable or not." In general a decision is often called rational if  
73 it is supported by explicit data. This paper pertains to decisions that can be irrational, that is, they are  
74 supported by data which may be ignored or biased by other factors such as stress or organizational  
75 characteristics.

77 **1.4 Decisions**

78 Most literature on decision analysis assumes that decisions are rational and objective. The  
79 International Council on Systems Engineering (INCOSE) handbook [11] (p. 110) states that the  
80 purpose of the Decision Management process is to

81       Provide a structured analytical framework for *objectively* (italics added)  
82       identifying, characterizing, and evaluating a set of alternatives for a decision at  
83       any point in the life cycle and select the most beneficial course of action

84 There is no discussion of decisions that are not made objectively or what the risks might be if they  
85 were not objective or why they may not be objective. Of course objective decisions are always the  
86 goal, but whether this can be achieved depends on the degree of bias either individual or  
87 organizational.

88       The Nobel committee awarded both Kahneman and Thaler the Nobel prize for their findings  
89 and for their studies related to cognitive bias and nudges. Thaler [2] defines a nudge as any aspect of  
90 a choice architecture that alters people's behavior in a predictable way without significantly changing  
91 their economic incentives." This paper simply uses the term decision option for nudge. Kahneman  
92 also recognizes the contributions of Amos Tversky who passed away before Kahneman's prize was  
93 awarded. Most, but not all, of the biases studied by Kahneman and Thaler are individual biases.

94 **1.5 Areas of disagreement**

95 The findings relative to cognitive bias have not been without their disagreements. These  
96 disagreements fall into three categories:

- 97       • Smart people do not suffer from cognitive bias and do not make bad decisions. According to  
98       Lewis [12] (p. 318) a critic of Kahneman and Tversky stated, "I am not interested in studying  
99       the psychology of stupid people." Kahneman and Tversky did not see their work that way.  
100       According to Lewis, "their very first experiments, dramatizing the weakness of people's  
101       statistical intuitions, had been conducted on professional statisticians." Kahneman [1] (p.430)  
102       states "Experienced researchers are also prone to the same biases when they think intuitively."  
103       Kahneman [1] (p. 49) quotes Stanovich as saying that "high intelligence does not make one  
104       immune to biases."
- 105       • People will always make good decisions if they think about them. To address this disagreement  
106       Kahneman [1] defines with two modes of thinking, fast and slow. Kahneman calls these two  
107       modes System 1 and System 2 (pp. 20-21). Fast thinking is when a person makes a decision  
108       based primarily on intuition. People, even smart people, make these decisions automatically.  
109       Slow thinking is based on thought and analysis. However, slow thinking does not always result  
110       in non-biased decisions. On the contrary, Kahneman [1] (p. 415) states that slow thinking may  
111       even reinforce the biases that were present in fast decisions. Sunstein [13] states that "System 2  
112       can and does err, but System 1 is distinctly associated with identifiable behavioral biases."

113       Three conclusions can be reached: First, decisions can be called rational if they are based  
114       on explicit data. Decisions are called proper or rational if they are supported by explicit data.  
115       Second, decisions based on intuition (System 1) are not necessarily bad decisions. It depends on

116 the circumstances and the decision maker's knowledge of the issue involved. Third, decisions  
 117 based on slow thinking (System 2) are not necessarily better than intuitive decisions.

118 • People will make good decisions if they are important enough. Thaler and Sunstein [2] (p. 76)  
 119 state that "there is little evidence that performance improves when stakes go up." For example,  
 120 the biases that may contribute to buying a car may also apply to the irrational decisions  
 121 pertaining to a space system launch.

122 In summary, Kahneman according to Lewis [12] and Thaler and Sunstein [2] have refuted all three  
 123 assertions with experimental proof.

124 In addition to the disagreements listed above, Evans [14] (p. 93) says that "Kahneman and  
 125 Tversky were subject to many attacks for apparently demonstrating or claiming that human beings  
 126 are irrational." One critic "believed that their experiments were unrepresentative or misleading."  
 127 Nevertheless, Evans [14] (p. 3) himself states that "many mistakes are due to one or more cognitive  
 128 biases." Thus, the weight of history is on the side of Kahneman, Thaler, and Tversky.

## 129 **2. Results of organizational bias analysis**

130 The focus of the paper is on organizational biases which this paper defines as being factors beyond  
 131 the well documented individual biases that may lead to irrational decisions and possibly catastrophic  
 132 consequences.

### 133 **2.1 Definition of organizational bias**

134 Organizational biases are those biases that are dependent on specific characteristics of an  
 135 organization. Typical characteristics include a hierarchical structure, the presence of many people  
 136 who may be either the genesis of the biases or the victims, and the culture of the organization. These  
 137 biases will be present and exacerbate any individual biases of the decision maker.

138 Frequently encountered organizational biases are the *rankism* bias, the *culture* bias, the *protocol*  
 139 *rules* bias, the *groupthink* bias, the *loss aversion* bias, the *accountability* bias, and the *responsibility* bias.  
 140 Murata et al [15] discuss many of these biases  
 141 including the *confirmation* bias, the *groupthink*  
 142 bias and the *loss aversion* bias. These include  
 143 both individual and organizational biases as  
 144 currently defined. Figure 1 is a hierarchical  
 145 view of how organizational biases contribute  
 146 to cognitive biases. This figure shows that  
 147 both individual biases and organizational  
 148 biases are part of cognitive biases. The  
 149 following paragraphs discuss the individual  
 150 and organizational biases.

### 151 **2.2 How organizational bias differs from 152 individual bias**

153 It is impossible to separate organizational  
 154 biases completely from individual biases

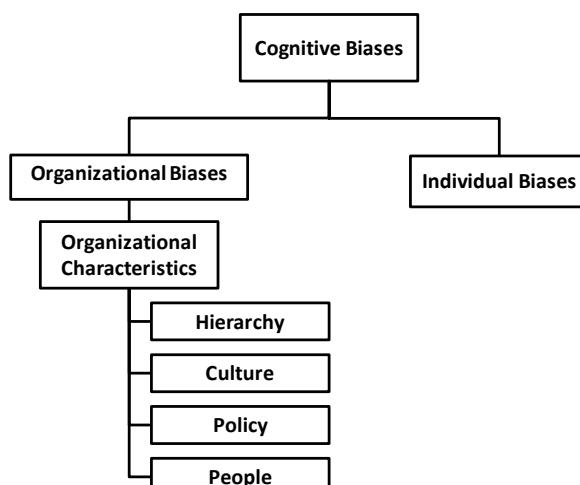


Figure 1 This figure illustrates how organizational biases and individual biases are constituent parts of cognitive biases.

155 since leaders may suffer from individual biases which may affect their decisions which may have  
156 organizational consequences.

157 Although organizational bias itself is an individual bias in the sense that it is a reflection of the  
158 mental state of the decision maker, it is organizational in the sense that it is influenced by the  
159 characteristics of the organization, its structure, and its culture.

### 160 **2.3 Aspects of organizational properties that contribute to organizational bias**

161 The aspects of organizations that give rise to biases include the organization's structure, primarily  
162 hierarchical, the presence of many people in the organization, its culture, and the policies  
163 documented within the organization.

### 164 **2.4 Summary of organizational biases**

165 The organizational biases discussed below are those biases that occur in an organizational context  
166 and are stimulated by the characteristics of the organization.

#### 167 **2.4.1 The *rankism* bias**

168 *Rankism* is a key topic in an organizational context and is described by Fuller [16]. Rankism can be  
169 described as the mental attitude of people in positions of authority who assume that their decisions  
170 are superior to persons of lower organizational rank. The *rankism* bias is therefore influenced by the  
171 hierarchical characteristic of most organizations.

#### 172 **2.4.2 The *culture* bias**

173 The Columbia Accident Investigation Report [17] (p. 184) states, for example, that there was a "broken  
174 safety culture" at NASA. Regarding the Challenger disaster, Vaughn [18] (p. 190) that there was a  
175 culture of "normative risks", that is to say, that no particular attention was given to risks. There is no  
176 implication in the *culture* bias pertains to any ethnic culture but rather to the culture of the  
177 organization.

178 Reason [5] emphasizes the importance of a safety culture which he defines as "shared values  
179 (what is important) and beliefs (how things work) that interact with an organization's structures and  
180 control systems to produce behavioral norms (the way we do things around here)." Hence it can be  
181 inferred that the *Columbia* and *Challenger* organizations did not have these shred values and beliefs.  
182 It can also be inferred that the "broken safety culture" existed at all level of the organization in  
183 accordance with the hierarchical structure.

184 Jackson [19] (pp. 91-119) examines the cultural factors that may result in faulty decisions.

#### 185 **2.4.3 The *groupthink* bias**

186 The *groupthink* bias can be considered to be an integral part of the *culture* bias. According to Murata  
187 et al [15] *groupthink* is characterized by "overestimation of the group, closed mindedness and pressure  
188 toward conformity." The *groupthink* bias is particularly applicable to large organizations and  
189 therefore tends to exacerbate the probability of catastrophe in an organizational context.

190 **2.4.4 The *protocol rules* bias**

191 This bias occurs when a protocol takes precedence over a common-sense opportunity to prevent a  
192 catastrophe. The United 93 incident described in the 9/11 Commission report [20] (p. 11) is an  
193 example. Most large organizations have written protocols.

194 **2.4.5 The *responsibility* bias**

195 According to Madigan [21] the *responsibility* bias is the tendency to exaggerate one's own  
196 contributions and minimize the contributions of others. This is, by definition an organizational bias  
197 since multiple persons are involved. Wikipedia [7] also lists the *egocentric* bias which is essentially the  
198 same as the *responsibility* bias.

199 **2.4.6 The *accountability* bias**

200 According to Dekker [22] (pp. 91-103), this is the refusal to take responsibility for accidents. This bias  
201 qualifies as an organizational bias since the decision maker is blaming others for a lack of  
202 responsibility.

203 **2.4.7 The *loss aversion* bias**

204 A bias described by Kahneman [1] (p. 302) is *loss aversion*. The concept is that decision makers fear  
205 losses more than the possibility of gains. If that is the case, then why do they make decisions with a  
206 high probability of failure? One possibility is that they fear disapproval of organizational superiors.  
207 Another possibility is that they do not have a sufficient appreciation of the probability of failure.  
208 Therefore, this is an organizational bias since organizational superiors are involved.

209 **3 Results for Case studies**

210 The following cases are examples of catastrophes in which organizational bias was a factor.

211 **3.1 Challenger**

212 The trigger physical cause of the *Challenger* accident was the failure of the O-rings. However, cultural  
213 factors were more serious and constituted the root cause of the accident. The philosophy of the  
214 "normalization of deviance" prevailed on *Challenger* as documented by Vaughn [18] (p. 190). Hence,  
215 *Challenger* stands as an example of the *culture* bias. This bias could only exist in an organizational  
216 context since, by definition culture is organizational.

217 **3.2 Columbia**

218 *Columbia* is a well-documented event by NASA [17] for which the causes are known and an approach  
219 recommended. The trigger physical cause was a debris strike as described by NASA [17] (p. 34).  
220 However, deeper analysis shows that the root cause was more cultural than technical. NASA [17]  
221 (pp. 99-120) shows that the same flawed practices that dogged *Challenger* were still present on  
222 *Columbia*.

223 The Columbia Accident Investigation Board (CAIB) NASA [17] (p. 184) states that NASA had a  
224 "broken safety culture". So we can say that that is the organizational bias right there and one that is  
225 clearly organizationally focused. This is an example of the *culture* bias.

### 226 3.3 Tenerife

227 This accident occurred between two 747s on the island of Tenerife in the Atlantic. One  
228 aircraft was already in motion for takeoff, and the other was in the hold mode waiting to take off, but  
229 the Air Traffic Control (ATC) had not given the clearance. The second aircraft took off prematurely  
230 resulting in a collision and the loss of all occupants. This was the largest commercial aircraft accident  
231 in history from the point of view of fatalities in which 585 persons died. McCreary *et al* [23] provide  
232 a detailed account of this accident from a human factors perspective.

233 This was an organizational accident with the *rankism* bias from two perspectives. First, there was  
234 *rankism* between the pilot and the co-pilot. Secondly, there was *rankism* between the pilot and the  
235 company (KLM). With respect to the pilot and the co-pilot, there is evidence that the co-pilot  
236 attempted to warn the pilot not to take off prematurely. The pilot simply ignored any signals from  
237 the co-pilot due to the pilot's rank; that is to say, he was in charge of the airplane and could make  
238 whatever decisions he wanted. Secondly, with regard to the KLM policies there is evidence that the  
239 pilot was motivated to take off prematurely because of company mandated deadlines.

240 The airline company at the time of the Tenerife disaster had a culture in which *rankism* prevailed.  
241 In addition the company had policies that motivated pilots to hurry back to the headquarters. Hence,  
242 this is an example of a *policy* bias.

### 243 3.4 Honda Point

244 According to the web site [24] the Honda Point disaster occurred on 8 September 1923 off the coast  
245 of California. Seven US Navy ships were grounded and 23 sailors died. The commanding officer  
246 ignored navigational information and ordered the ships into a dangerous route. Other captains  
247 followed the orders even though they knew of the navigational errors. Thus, they were suffering from  
248 the *groupthink* bias.

249 The military concept that all ships should follow the lead ship may have contributed to this  
250 event. Thus the *protocol rules* bias may have been a factor also.

### 251 3.5 Bhopal

252 The largest industrial disaster in history occurred in Bhopal, India on 2-3 December of 1984.  
253 According to Reason [5] (p. 89), at least 2500 died and many others were injured when water was  
254 incorrectly spilled into a methyl isocyanate tank.

255 Causes were identified as botched decision making and poor maintenance. This disaster falls  
256 into the *culture* bias category.

### 257 3.6 Deepwater Horizon

258 The basic characteristic of this system was that it was a multi-layer system with BP at the top and  
259 Deepwater Horizon as a supplier. Friction within the company became apparent when the BP CEO  
260 blamed Deepwater Horizon for the tragedy. So did BP develop safety standards and flow them down

261 to DH? This is not known; however general systems principles would assert that BP owns the entire  
262 system and was therefore responsible. The courts later found BP responsible. So this problem would  
263 also have roots in *rankism*, this case the assertion that the top level system could hold the lower level  
264 system responsible. This disaster is described by Britannica [25].

265 This is also a *responsibility* and an *accountability* bias, that is the reluctance to take responsibility  
266 for one's actions. The primary organizational property that contributed to the Deepwater Horizon  
267 disaster was the hierarchical nature of the BP system and the lack of communication and division of  
268 responsibility between them.

### 269 3.7 United 93

270 According to the 9/11 Commission report [20] (p. 11), the FAA failed to notify the pilots of this aircraft  
271 that there was a possibility of terrorists on board. The FAA claimed that it was not their responsibility  
272 to contact the pilots but rather the airline. The result was that valuable time was lost, the terrorists  
273 attacked, and all on board were lost. The Commission stated that the FAA did not understand their  
274 responsibility.

275 This is an example of the *protocol rules* bias. This bias states that when a person in either an  
276 individual situation or an organizational situation has a decision between following an existing  
277 protocol or making a wiser decision, will follow the protocol.

### 278 3.8 Korean Airlines Flight 801

279 According to the NTSB report [26] a Korean Airlines 747-300 crashed into a hill in Guam on 6 August  
280 1997 killing 228 of the 254 persons on board. The primary cause of the crash according to the NTSB  
281 [26] was the captain's failure properly to execute the approach. However, FlightGlobal [27] cites this  
282 disaster as an example of a cockpit with personnel with a former military experience in which "a  
283 command and control culture that discourages subordinates from questioning superiors." This  
284 statement describes the *rankism* bias as described in this paper. Hence both the *culture* bias and the  
285 *rankism* bias were factors in this accident.

### 286 3.9 Asiana Flight 214

287 According to the NTSB [28] Asiana Flight 214, a Boeing 777-200ER, crashed into a seawall upon  
288 attempting a landing at San Francisco airport on 6 July 2013. Like Korean Airlines the report focuses  
289 on the lack of cockpit communication as being the primary cause of the crash. In post-accident  
290 interviews the PF (pilot flying) admitted that he was unfamiliar with the procedure for landing  
291 without glideslope guidance. He was reluctant to admit this to the PM (pilot monitoring). This is an  
292 indication of the *rankism* bias that was part of the airline culture of this aircraft.

## 293 4 Results for decision options in an organizational context

294 Either an organization leader, such as a CEO, decision options or the organizational policies will drive  
295 the decision options. Individuals may make decisions that are organizational in nature, but the  
296 decision choices themselves will depend on the organizational biases that generated the risks that  
297 need to be mitigated. In addition, the individual biases that may have existed concurrently need to  
298 be mitigated. Kahneman [1] and Thaler [2] give many examples of how this can be done.

299 **4.1 Goal of decision options**

300 Decision options in an organizational context pertain to those biases that are influenced by the  
301 characteristics of the organization. Decision options for individual biases identified by Kahneman [1]  
302 and Thaler [2] may also be beneficial in an organizational context.

303 There is no assertion that organizational decisions will prevent disasters; therefore, decisions  
304 are not solutions. There is only the goal of identifying decisions that will influence the leader to make  
305 better, less risky, decisions. A better decision may result in the avoidance of the disaster completely,  
306 or it may result in reduced consequences.

307 **4.2 Definition of decision architecture in an organizational context**

308 Decision options pertain to the decisions that a leader might make in an organizational context.

309 **4.3 How decisions in an organizational context differ from decisions in an individual context**

310 Decisions in an organizational context pertain to all the organizational structural and procedural  
311 options that may influence the decisions of the organization leader, for example, a program manager  
312 or a CEO. Decisions in an individual context only pertain to the decisions made by an individual,  
313 such as the leader. These individual decisions may also influence the decisions of the leader, but the  
314 focus of this paper is on organizational decisions which may exist concurrently with individual  
315 biases.

316 **4.4 Importance of *libertarian paternalism* in an organizational context**

317 Thaler's concept of *libertarian paternalism* is important in an organizational context. This concept says  
318 that someone either the leader in our case or the individual in individual cases will make the final  
319 decision, whatever that decision may be. However, *libertarian paternalism* does not mean that decision  
320 will always be correct, that is, that it will prevent a catastrophe. It only says that the leader will be  
321 influenced to make a decision that is better than the one he would have made if the options had not  
322 been exercised. These decisions will be influenced by both individual biases and organizational  
323 biases.

324 **4.5 Summary of decisions in an organizational context**

325 The decision options below are initial judgments that might apply to the case studies in this paper.  
326 There is no claim that this list is exhaustive. Other decisions may be appropriate.

327 **4.5.1 Independent review**

328 The only approach recommended by the CAIB in the *Columbia* case is the Independent Technical  
329 Authority (ITA) described by NASA [17] (p. 227). There is no indication that the CAIB intended that  
330 the ITA would have veto power over the program leader for decisions such as launch or delay launch.  
331 Hence it can be assumed that this approach complies with the *libertarian paternalism* policy. So the  
332 ITA merely influences the decision; it does not override it.

333 The organizational property that influenced this decision option is the broken safety culture  
334 which led the CAIB to mistrust the decision process on the program

335 **4.5.2 Pre-mortem**

336 The pre-mortem is a decision option suggested by Kahneman [1] (pp. 264-265). The pre-mortem  
337 consists of organizing a group of individuals who can identify the potential negative aspects of any  
338 decision.

339 The pre-mortem is not mentioned by the CAIB. This decision option is not significantly different  
340 from the ITA except that the pre-mortem would be internal to the program rather than external. The  
341 post-mortem decision would also apply to the Honda Point disaster.

342 **4.5.3 Policy change**

343 Both biases in the Tenerife case could be addressed to some extent by a change in company policies.  
344 First, in the Tenerife case there must be a policy to force the pilot to comply with warnings from the  
345 co-pilot. Secondly, the company must remove any policies that would force the pilot to take off  
346 prematurely. There may be other approaches more appropriate to the individual biases.

347 A second policy change would be to remove the authority of rank which the captain asserted.

348 In the Honda Point case the most obvious approaches to this problem are changes in official  
349 actions documented in Navy manuals.

350 In the Korean Airlines Flight 801 case the airline instituted improvements in their crew  
351 management system (CMS) to comply with new policies directed at improved communications.

352 In general, policy change decisions should focus on specific reporting responsibilities and  
353 actions and should avoid vague statements.

354 **4.5.4 Protocol change**

355 The obvious approach to the United 93 problem described by the 9/11 Commission report [20] (p. 11)  
356 is to change the protocol with the outside influence of the 9/11 Commission. In subsequent  
357 communications the FAA has declined to state whether their protocols have been changed. In  
358 addition to a specific protocol a policy change would be necessary to require personnel the  
359 responsibility of making decisions that violate specific protocols if human safety is involved.

360 **4.6 Implementation of decisions in an organizational context**

361 For the three decision options listed below, the implementation of these decisions is largely  
362 dependent on whether the organization is overseen by a higher authority, such as the FAA or is  
363 completely an independent enterprise. In the latter case implementation will depend on the  
364 organization's leadership.

365 **4.6.1 Independent review**

366 The independent review decision option by definition would need to be implemented external to the  
367 program in question. Independent implies organizational and financial independence. This could be  
368 done either voluntarily by the program or mandated by an external authority, such as the FAA. The  
369 Columbia Accident Investigation Board (CAIB) in NASA [17] (p. 227) suggested the independent  
370 review option in NASA

371 **4.6.2 Pre-mortem**

372 It would be up to the leader to organize the pre-mortem as described by Kahneman [1] (pp. 264-265)

373 As stated before, this approach would have to be institutionalized before it could be  
374 implemented. This raises the question of how it would be implemented. It could be implemented  
375 either by organizational policy or by an external entity such as NASA, the FAA, or a DoD branch.376 A practical and current implementation of the pre-mortem approach is crew management  
377 resource (CRM) as described by FlightGlobal [27]. This source has observed that aircraft crashes can  
378 be attributed, in part, to the lack of communications among crew members. CRM calls for flight crew  
379 members to alert the captain if they have any concerns, such as the aircraft is heading into a  
380 catastrophic event. Moreover, the communication should be relayed in an assertive way so that the  
381 captain is aware of the situation. These procedures can be considered a special application of the pre-  
382 mortem approach.

383

384 **4.6.3 Policy change**385 It seems that the basic approach to this problem is to change the company policies. An external  
386 independent authority would be required to make sure this happens. For independent enterprises,  
387 policy changes would be the responsibility of the decision makers.388 **5 Discussion**

389

390 Table 1 summarizes the case studies, the organizational biases that appear to have been present, and  
391 the possible decision choices that may be appropriate for future cases of these types. These biases and  
392 options are not meant to be exhaustive but rather typical for cases of these types. This table does not  
393 list individual biases which are thoroughly discussed by Kahneman [1] and Thaler [2].

394

395 **Table 1.** Potential decision options for selected case studies and associated organizational biases

Case Study	Possible organizational biases	Potential future decision options
<i>Challenger</i>	<i>Rankism</i> <i>Culture</i> <i>Loss aversion</i>	Independent review Pre-mortem
<i>Columbia</i>	<i>Rankism</i> <i>Culture</i> <i>Loss aversion</i>	Independent review Pre-mortem
<i>Bhopal</i>	<i>Culture</i>	Policy change
<i>Tenerife</i>	<i>Rankism</i> <i>Responsibility</i>	Policy change
<i>Honda Point</i>	<i>Groupthink</i>	Policy change
<i>United 93</i>	<i>Protocol rules</i>	Protocol change Policy change
<i>Deepwater Horizon</i>	<i>Rankism</i> <i>Accountability</i> <i>Responsibility</i>	Policy change
<i>Korean Airlines Flight 801</i>	<i>Rankism</i> <i>Culture</i>	Policy change
<i>Asiana Flight 214</i>	<i>Rankism</i>	Policy change

	<i>Culture</i>	
--	----------------	--

396 Cognitive biases should be seen as a departure from previous reliance on the assumption of rational  
397 thinking. Kahneman [1] and Thaler [2] have performed a service by bringing this new perspective to  
398 light.

399 It is recommended that future work be focused on implementing the concepts described in this  
400 paper in enterprises particularly vulnerable to catastrophic failures. Space systems and commercial  
401 aircraft systems would be priority enterprises. Priority should be given to those concepts recommended  
402 by authoritative bodies, such as the Columbia Accident Investigation Board (CAIB). It is impossible  
403 to estimate how many fatalities could be avoided by these measures; however this paper outlines one  
404 of the more scientifically validated approaches.

## 405 **6. Materials and Methods**

406 The cognitive biases examined were extracted from many sources including Wikipedia [7], Madigan  
407 [21], Kahneman [1], Dekker [22], Murata et al [15], and Fuller [16]. The *protocol rules* bias was inferred  
408 from the United 93 case in the 9/11 Commission report [20]. The *culture* bias was inferred from the  
409 Challenger case described by Vaughn [18] (p. 190), the Bhopal case described by [5] (p. 89), and NASA  
410 [17] (p. 184) for *Columbia*.

411 The *protocol rules* bias was inferred from the 9/11 Commission report [20] for the United 93 case.

412 The case studies were described by Vaughn [18] (p. 190) for the *Challenger* case, NASA [17] (p.  
413 184) for the *Columbia* case, McCreary et al [23] for the Tenerife case, Wikipedia [24] for the Honda  
414 Point case, Reason [5] (p. 89) for the Bhopal case, Britannica [25] for Deepwater Horizon, the 9/11  
415 Commission report [20] for the United 93 case, the NTSB reports for the Korean 801 [26] and Asiana  
416 214 [28] cases.

417 Decision options were described by NASA [17] (p. 227) for the independent authority, by  
418 Kahneman [1] (pp. 264-265) for the pre-mortem. Policy change was inferred from the case studies.

419 The division of cognitive biases into individual biases and organizational biases was performed  
420 by the author using reason based on organizational characteristics. The development in this paper of  
421 the concept of organizational bias is a departure from and an expansion of the previous work focusing  
422 on individual biases. However, as stated above the individual biases may exist simultaneously with  
423 organizational biases and may, by themselves, have organizational consequences.

## 424 **7 Conclusions**

425 Organizational biases are fundamentally different from individual biases and are a result of  
426 organizational characteristics. In addition, organizational biases are an extension of individual biases.

427 Decisions in an organizational context are unique to each organization and each bias and the  
428 situation in which the decision is necessary. Hence, organizational biases and organizational  
429 decisions should be addressed as separate phenomena from individual biases and decisions because  
430 they require an added degree of analysis to synthesize. Organizational biases and organizational  
431 decisions depend both on the mental state of the decision maker and the characteristics of the  
432 organization.

433 Decision options often call for cultural changes in organizations. However, these cultural  
434 changes should be implemented in specific responsibility changes and in specific required actions.

435 Implementation of organizational decisions is the major challenge and are primarily dependent  
436 on organization management to implement them or some outside entity to mandate them.  
437

#### 438 8 Author contributions

439 Dr. Jackson has explored the topic of cognitive bias for a number of years beginning with  
440 Jackson [19] (pp. 91-119). Other contributions in this field include Jackson and Harel [3]  
441 and Jackson [4]. The latter two papers contributed to the examination of cognitive bias as part of the  
442 decision process within systems engineering.

443 Dr. Jackson was responsible for conceiving the paper with a focus on organizational  
444 bias and identifying existing and new biases that supported that perspective. He also  
445 identified case studies that supported this concept especially case studies that involved  
446 accidents of catastrophic consequences. A principal task was researching the concept of  
447 cognitive bias and especially the contributions of Kahneman, Tversky, Thaler, Murata, and  
448 others. Dr. Jackson suggested the *Challenger*, *Columbia*, *Tenerife*, *Korean Flight 801*,  
449 *Bhopal*, *Deepwater Horizon*, and *United 93* case Studies as being examples of  
450 organizational accidents.

451 Mr. Harel has an extensive background in human factors was able to explain how  
452 human factors contributed to the concept of cognitive bias and especially to the application  
453 of cognitive bias to the organizational accidents which are the subject of this paper. He  
454 suggested the term organizational bias to differentiate it from individual bias. He was also  
455 able to elaborate on the history of cognitive bias and some of the divergent views about  
456 cognitive bias discussed in this paper. He also suggested several case studies for this paper  
457 including the *Aviana Flight 214* and *Hondo Point* accidents.  
458

#### 459 References

- 460 1. Kahneman, D., *Thinking Fast and Slow*. 2011, New York: Farrar, Straus, and Giroux.
- 461 2. Thaler, R.H. and C.R. Sunstein, *Nudge: Improving Decisions About Health, Wealth, and Happiness*. 2008, New York: Penguin Books.
- 462 3. Jackson, S. and A. Harel, *Systems Engineering Decisions Analysis can benefit from the Added Consideration of Cognitive Sciences*. SyEn, 2017.
- 463 4. Jackson, S., *Irrational Decisions: A Systems Engineering Perspective*, in *Insight*. 2017, International Council on Systems Engineering (INCOSE): San Diego. pp. 74-75.
- 464 5. Reason, J., *Managing the Risks of Organisational Accidents*. 1997, Aldershot, UK: Ashgate Publishing Limited. 11-13.
- 465 6. Chegg. *Definition of Cognitive Bias*. 2015 2015 [cited 2015 18 October]; Available from: <http://www.chegg.com/homework-help/definitions/cognitive-bias-13>
- 466 7. Wikipedia. *List of Cognitive Biases*. 2017 27 October [cited 2017 12 November]; Available from: [https://en.wikipedia.org/wiki/List\\_of\\_cognitive\\_biases](https://en.wikipedia.org/wiki/List_of_cognitive_biases).
- 467 8. Haselton, M.G., D. Nettle, and P.w. Andrews, *The Evolution of Cognitive Bias*, in *Handbook of Psychology*. 2005.
- 468 9. Soll, J.B., K.L. Milkman, and J.W. Payne, *A User's Guide to Debiasing*, in *Handbook of Judgment and Decision Making*, G. Keron and G. Wu, Editors. 2014, Wiley-Blackwell: Hoboken.
- 469 10. Webster, *Definition of Rationality*, in *Webster*. 2017, Webster: On-line.

480 11. INCOSE, *Systems Engineering Handbook*. 4 ed, ed. D.D. Walden, et al. 2015, Dan  
481 Diego: Internatonal Council on Systems Engineering (INCOSE).

482 12. Lewis, M., *The Undoing Project: A Friendship that Changed our MInds*. 2016: W.  
483 W. Norton.

484 13. Sunstein, C.R., *Nudging and Choice Architecture*. Yale Journal on Regulation, 2015.

485 14. Evans, J.S.B.T., *Thinking and Reasoning: A Very Short Introduction*. 2017, Oxford:  
486 Oxford University Press.

487 15. Murata, A., T. Nakamura, and W. Karwowski, *Influences of Cognitive Biases in*  
488 *Distorting Decision Making and Leading to Critical Unfavorable Incidents*. Safety,  
489 2015. 1: p. 44-58.

490 16. Fuller, R.W. *Somebodies and Nobodies: Understanding Rankism*. 2009 [cited 2017  
491 12 June]; Available from: <https://www.psychologytoday.com/blog/somebodies-and-nobodies/200908/somebodies-and-nobodies-understanding-rankism>.

493 17. NASA, *Columbia Accident Investigation Report*, R. Godwin, Editor. 2003, National  
494 Aeronautics and Space Administration (NASA): Washington, DC.

495 18. Vaughn, D., *The Challenger Launch Decision: Risky Technology, Culture, and*  
496 *Deviance at NASA* 1997, Chicago: University of Chicago Press. 77-118.

497 19. Jackson, S., *Architecting Resilient Systems: Accident Avoidance and Survival and*  
498 *Recovery from Disruptions*. Wiley Series in Systems Engineering and Management,  
499 ed. A.P. Sage. 2010, Hoboken, NJ, USA: John Wiley & Sons.

500 20. 9/11 Commission, *9/11 Commission Report*, T.H. Kean, Editor. 2004: Washington.  
501 p. 213, 294.

502 21. Madigan, J. *Carrying the Responsibility Bias for the Team*. Empound 2017 1 May  
503 [cited 2017 8 December]; Available from:  
504 <http://www.psychologyofgames.com/2017/05/carrying-the-responsibility-bias-for-the-team/>.

506 22. Dekker, S., *Just Culture: Balancing Safety and Accountability*. 2007, Farnham,  
507 Surrey, UK: Ashgate.

508 23. McCreary, J., et al., *Human Factors: Tenerife Revisited*. Journal of Air Transportation  
509 World Wide, 1998. 3(1).

510 24. Wikipedia. *Honda Point Disaster*. 2017 7 Novermber [cited 2017 8 December];  
511 Available from: [https://en.wikipedia.org/wiki/Honda\\_Point\\_disaster](https://en.wikipedia.org/wiki/Honda_Point_disaster)

512 25. Britannica. *Deepwater Horizon*. 2017 [cited 2018 16 February]; Available from:  
513 <https://www.britannica.com/event/Deepwater-Horizon-oil-spill-of-2010>.

514 26. NTSB, *Aircraft Accident Report: Korean Airlines Flight 801*. 2000, National  
515 Transportation Safety Board: Washington DC.

516 27. FlightGlobal. *Cockpit Culture Change*. Pioneering Aviation Insight 1998  
517 1 September [cited 2018 2 March]; Available from:  
518 <https://www.flightglobal.com/news/articles/cockpit-culture-change-40984/>

519 28. NTSB, *Asiana Flight 214: Descent Below Visual Glidepath and Impact with Seawall*.  
520 2014, National Transportation Safety Board: Washington DC.