The Maximizer - Satisficer Decision Making Continuum

There are a number of helpful mental models that describe how we make decisions. One way to think about the decision making process is to determine where you are on the Maximizer versus Satisficer continuum. Knowing where you are on the continuum provides helpful, and sometimes transformative, decision making outcomes. This new awareness can also impact the quality of your business and personal life.

Let’s look at the two ends of the spectrum and illustrate what each decision making type is like.

Maximizer

The definition of maximize is to make the most of, or to find the maximum value of.
- A Maximizer feels compelled to research and examine every possible option before deciding.
- A Maximizer's motivation is not just about making a good or even a great decision. It is about making the best decision.
- This style is helpful in crucial decision-making situations.

Maximizers typically apply this approach automatically for major and minor decisions. They are typically as likely to attempt to maximize their outcomes for important decisions such as purchasing a business, a car, or a home as they are for relatively unimportant decisions such as where to eat dinner, finding a better bargain on clothes, or finding a more interesting station on the radio.

Satisficer

On the other end of the spectrum is the Satisficer.
- This term Satisfice is a combination of the words satisfy and suffice. Satisfy means to be adequate. Suffice means to meet or satisfy a need.
- Satisficers make a decision as soon as their criteria have been met. Satisficers generally make good decisions and are not concerned about achieving the best possible outcome.
- This style is helpful when decisions need to be made quickly and efficiently.

A Satisficer is more interested in being expedient than thorough. They are more likely to jump on a deal or opportunity and be happy with the outcome even though they may have missed other, potentially better options. Being more expedient does not mean that Satisficers have lower standards or settle for mediocre outcomes. They can have very high standards. The key difference is, once their standards are met, they are satisfied.

Although some people fall on one or the other extreme end of this spectrum, most of us fall somewhere in between. Most people have a preferred decision-making method, but tend to be flexible based on each specific situation. For example, we may be Maximizers for big purchases such as a house or a car and Satisficers for less important decisions such as purchasing wine or choosing a restaurant.

Significant research has been done regarding Maximizer versus Satisficer decision-making styles on outcomes and satisfaction. The findings suggest that Maximizers generally achieve better outcomes. Satisficers generally have greater satisfaction.
Let’s explore why this might be the case. One study found that college seniors who were Maximizers received starting salaries, on average, that were 20% higher than Satisficers. It might seem logical that if Maximizers generally achieved better outcomes (and they do) that they would be much more satisfied. It turns out that Maximizers are less happy and content with their decisions and decision-making process than Satisficers. Why? Maximizers consistently feel that they have not explored all possible options to make the optimal choice and receive the absolute best outcome.

Conversely, Satisficers make good decisions and end up feeling good about them. Because they are measuring their decision-making success against their own internal standards they don’t feel obligated to continue to pursue additional options. And, while the Maximizers may initially have better decision-making outcomes, it is likely that Satisficers will do better over time. Satisficers generally have higher levels of satisfaction in life and this likely translates to higher levels of positivity, performance, and better outcomes over a lifetime.

This research provides helpful and practical applications for business and life decisions. Once we gain awareness about our natural decision-making style we have the ability to consciously choose when and to what degree we will use our default style. Deciding up front if an outcome has important ramifications, or if a decision is less important, provides a context for decision-making.

Based on the decision’s importance, those close to the Maximizer end of the spectrum may choose to modify how much data they gather, how long they process the data, and how quickly they make decisions. For example, setting a time frame for the entire decision-making process helps Maximizers focus on the most important factors and limits the excessive time and mental energy that has marginal impacts on outcomes.

Similarly, Satisficers may consciously choose to invest more time in the decision-making process for important decisions. They may take more time to ensure that they have thoroughly considered their internal decision-making standards. Once confident that they have considered the key decision-making factors they can then continue their research until these factors have been fully satisfied.

For partnership situations it is often helpful to have two different decision-making styles. If the Maximizer is stuck, the Satisficer can step in and make the decision. By the time the Maximizer has gotten to this point they have probably done a lot of research and have narrowed the choices to the very best options. Having a Satisficer take over and pick from these options will still generate a superior outcome. This is especially important in business since time is valuable and opportunities generally do not last forever.

The first step is to appreciate the natural decision-making style that we have, when it is most helpful to us, and in what specific situations we may want to modify this style. The second step is to appreciate those who have styles opposite of ours. As with most other aspects of life, differences can be negatives or positives depending on our context. Recognizing that opposite styles can be very helpful augmenting our natural style creates a context that will maximize outcomes.