

When Facts Don't Matter

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We'd like to believe facts matter. In some situations, that is true, but I believe this quote attributed to Friedrich Nietzsche: "There are no facts, only interpretations."

When facts might matter

As a former trial lawyer, I was confident facts mattered to jurors, and they do – to some extent. Jurors have no familiarity with the dispute before them. They are supposed to start without an opinion about who is "right" and who's "wrong."

I used to think of jurors as blank slates. Both sides would attempt to persuade them. The one who did the best job would prevail.

The reality is different. We all have biases. For example, the way we process information may be impacted by the racial and ethnic group to which we belong. Jurors often make decisions based on what are euphemistically called "extralegal factors" like race and gender. There's evidence African Americans, "are treated the worst in criminal and civil cases."

Tufts psychology professor Sam Summers believes, "expectations, biases and prejudices influence the way we see the world." His research indicates that the racial composition of a jury can, "influence its decision making." He notes that all-white juries are more likely to convict minority defendants than racially diverse



juries.

If jurors charged with the responsibility of acting in a dispassionate and objective manner fall short, how does this knowledge impact the way you interact with others?

Lessons from APViewpoint

APViewpoint, the on-line community hosted by Advisor Perspectives, provides an important lesson on the inability of facts to persuade. Some of the finest minds and practitioners in the advisory profession debate technical issues. Each marshals arguments in favor of their position, only to be met by equally brilliant counterpoints.

The dialogue goes back and forth and follows a predictable path. The discussion often starts off as academic, and then may deteriorate into personal sniping and sarcasm, reflecting frustration by the advocates over their inability to persuade the other person they are “right.”

Here’s what rarely happens: A person who held one view flips to a contrary position, based on the argument of others.

Other differences among competent advisors can be stark. Some believe in factor-based investing. Others don’t. Some advocate the use of “core” funds. Others don’t. Some use alternative investments. Others don’t.

Here’s what I’ve rarely seen: An advisor who changes their approach to investing based on data received from others.

Why is that?

The backfire effect

The **backfire effect** is a cognitive bias that causes us to reject evidence that should cause us to change our mind. Instead, we reject that evidence and “double down” on our original belief.

There are many examples of the backfire effect. It can have dangerous consequences.

One study found that giving parents who are opposed to vaccinations information about why it’s important to vaccinate their children made them *more likely* to link vaccinations to harmful side effects, like autism.

Why it’s important

When a prospect or client expresses a view different than yours, resist the temptation to counter that view with facts supporting your position. Doing so is likely to be counterproductive.

Instead, shift your mindset from “trying to persuade” to “trying to understand.” Ask questions seeking elaboration of their position. Then ask follow-up questions like:

- *Would it make any difference if.....?*
- *Is your view based on a belief that.....?*
- *What can I tell you that you would find helpful?*

Substitute empathy for judgment. Don’t be confrontational. Instead, show a genuine interest in the point of view being expressed.

Once you understand that facts don’t persuade, you’ll be well on your way to improving your relationships in any context.

For more information about marketing and branding opportunities with Dan’s upcoming book, Ask: How to Relate to Anyone, click here.