

A lesson on elementary, worldly wisdom as it relates to investment management and...

[Business](#), [Management](#)



The paper "A Lesson on Elementary, Worldly Wisdom As It Relates To Investment Management & Business" is a great example of a management article review.

Charlie Munger is the business associate and partner of Warren Buffet and he has some suggestion on the decision-making process. According to him, everyone needs a mental model at our disposal in order for us to make a decision quickly and efficiently. He claims that our experiences and circumstances in everyday life need to be evaluated with the help of many mental models. Munger described these mental models as "latticework" on which we can relate our daily experiences. Munger has many models in mind which could aid us in decision making in a real world. Munger details that learning an idea is not difficult but putting them in use is relatively harder. To make decision making easy and effective, people need to have a mental framework upon which experiences can be placed.

Some of the key points discussed by Munger are education, experience, and use of various mental models to win the race of life. Without education, it is difficult to assess and analyze an experience and the mental models.

Without experience, a mental framework would not be usable and without mental models, everything is disoriented. According to (Munger, 2010) "You've got to have models in your head. And you've got to array your experience both vicarious and direct on this latticework of models".

Regarding the "psychology", Munger feels that it is most essential to gain worldly wisdom and knowledge. He simply attaches wisdom to "psychology" or means wisdom itself is psychology and disconnect God's relation to it.