

Risk preferences in option generation: Do risk-takers generate more risky courses of action?

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Abstract

Decision making research typically focuses on choices between predetermined sets of options. In many real-world decisions, however, individuals must generate potential courses of action themselves. Individual differences in processes involved in option generation therefore influence which actions are considered. We examined the role of one such factor: the propensity to take risks. We hypothesized that risk-taking propensity would be related to the generation of more risky actions associated with uncertain or unfavorable outcomes. Participants generated options in ill-structured situations and rated the perceived risk associated with each option. As predicted, higher risk-taking propensity was associated with increased generation of risky options that could lead to unfavorable outcomes. The riskiness of generated options was also related to affective state, consistent with prior evidence of emotional influences on risky decision making. The findings suggest that both real-life risk-taking and risky option generation arise from common cognitive processes involved in responding to uncertainty.