FAULTY ASSUMPTIONS

When assumptions go untested, small details go unchecked

Faulty assumptions showed up in our study as one of the most common — and least visible — drivers of preventable business mistakes.

Entrepreneurs rarely describe themselves as "guessing." More often, they describe acting based on experience, pattern recognition, or what has worked before. That's usually an advantage. But in our data, assumption-related risk increased when familiarity and habit began to substitute for verification.

What makes assumptions risky isn't overconfidence. It's efficiency.

Assumptions let work move faster. They reduce friction. They simplify decisions. But when assumptions go untested — about customers, timing, capacity, costs, or constraints — they quietly shape actions in ways that no longer match reality. By the time results signal a problem, effort has already been misdirected.

The goal isn't to question everything or slow momentum. It's to notice when certainty is standing in for evidence — and to insert small checks that keep confidence aligned with what's actually true.

Below are three practical tools entrepreneurs use to reduce mistake risk driven by faulty assumptions.

1. Say the assumption out loud — before acting on it

One of the simplest ways to surface faulty assumptions is to name them.

Before committing to an action or decision, pause briefly and ask:

- What am I assuming is true here?
- How do I know that?

If the answer is "I don't," that's not a problem — it's useful information. It tells you where a quick check, question, or test could prevent wasted effort later.

This habit turns invisible assumptions into visible inputs.

2. Test beliefs where reality gives fast feedback

Assumptions become risky when they go untested for too long.

Look for small, low-effort ways to check beliefs against reality:

- ask one customer a focused question
- review recent data instead of relying on memory
- run a small test before committing fully

You're not looking for certainty — just directional confirmation.

These small checks often surface misalignment early, when course correction is still easy.

3. Invite perspective that doesn't share your context

Faulty assumptions thrive inside familiar environments. When things feel routine, we're more likely to rely on what worked before instead of re-checking whether it still applies.

At key moments, deliberately invite someone who isn't as close to the work — a peer, mentor, advisor, or thoughtful outsider — to react to a plan or decision.

Ask them what they think you might be assuming.

Fresh perspective doesn't slow you down. It helps you see blind spots that insiders normalize without noticing.

A final note

Faulty assumptions aren't a sign of poor judgment. They're a side effect of experience.

The point of these tools isn't to replace confidence with doubt. It's to keep confidence grounded in reality — so momentum is built on what's true, not just what feels familiar.

Questions or reflections? If you have questions, comments, or want to share how the Quiz or these tools helped you, feel free to email me at: **author@williamholsten.com**