

What's the best leadership decision you have made so far this year?
What's the worst? What made the difference between the two?
Usually, to borrow a phrase from a current movie, it's complicated.



It is rather amazing that most leaders receive no training in decision making except that provided by trial and error. We often learn by making the same mistake over and over until we come to our senses. Sometimes we actually think that we are making the right decisions only to find out that we missed a step or lacked crucial information. At other times, we choose expediency or personal feelings over what we know is best.

In *Why Good Leaders Make Bad Decisions* (<http://hbr.org/product/why-good-leaders-make-bad-decisions/an/R0902D-PDF-ENG>), authors Andrew Campbell, Jo Whitehead, and Sydney Finkelstein shared their study of disastrous decisions by smart people. They researched huge blunders such as the government's response to the havoc caused by Hurricane Katrina and concluded "Leaders make decisions largely through unconscious processes that neuroscientists call pattern recognition and emotional tagging. These processes usually make for quick, effective decisions but they can be distorted by self-interest, emotional attachment or missing memories." The brigadier general in charge of the government's resources during and after Hurricane Katrina had deep experience in disaster management and had led the Homeland Security Operations Center during previous hurricanes. But the process he had successfully relied upon in the past did not work for him in this situation because this was *different*. He didn't realize how different until the rising water breached the levees. As leaders, we need to know when to use the old playbook and when we need to write a new one.

How can you strengthen your decision making skills?

1. **Make sure** you formulate the right question, particularly when the stakes are high and there are lots of moving parts: people, processes, money. Last week I spoke with a client who was deciding which direct report to promote into a senior position. His initial focus was on matching each candidate's competencies with the requirements in the job description. That was a reasonable way to start but he then broadened his range of questions. Who else will be affected by this decision? Is this an opportunity to review the position and what is needed in the organization? What does the team need? How does this selection relate to succession planning? The right questions ensure you greater success on the decision path.

2. **Include** all the necessary data. In his fascinating book, *THINK TWICE: HARNESSING THE POWER OF COUNTERINTUITION*, Michael Mauboussin, Chief Investment Strategist at Legg Mason Capital Management, recommends the following strategies to help avoid decision making errors.

- Solicit timely, accurate, and clear feedback.
- Seek dissent. Avoid making decisions at emotional extremes.
- Perform a pre-mortem. Imagine you are in the future and your decision has failed. Provide reasons for the failure.
- Raise your awareness. What kinds of mistakes have you made in the past? Is there a pattern?

3. **Pay attention** to those little voices in your head that are saying, "Be careful." Even if you can't fully articulate the reason for your concerns, proceed with caution.

How to strengthen your decision making muscles? Practice, practice, practice. For the next month, consider keeping a record of your high stakes decisions--which ones worked, which ones failed, and what made the difference.

Best,
Sharon

*If you would like more information about our **Making Good Decisions** program, please send me an email or give me a call so I can provide details about the content and benefits.*

*Sharon Dougherty, CEO of Priority Coaching (<http://www.prioritycoaching.com>), is an executive coach with twenty-five years experience working with more than 160 corporations and health care systems throughout the United States. Her work includes executive and manager coaching for high potentials and senior executives, teaching leadership development programs, facilitating team and department retreats, conducting management competency assessments and system reviews, and serving as a thought partner for senior executives. Sharon's work has been cited in *The New York Times* and *The Wall Street Journal*. She is also the CEO of www.groovycareers.com. (<http://www.groovycareers.com>)*