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What is the Decision Leader Review?

This monthly publication brings you current research and information in the area of business decision making. You'll find new concepts and ideas you can put to use immediately to improve the quality and speed of your strategic and tactical decision making activities.

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How to Handle High Impact Decisions – Part Two

Last month we kicked off a four part series on how to successfully navigate high impact decisions in organizations. This month we discuss strategies to apply the correct approach in these high stakes situations.

While it's true that a multitude of factors dictate outcomes in high stakes decisions, ultimately, success or failure hangs on three things:

- The quality of the decision
- The quality of the execution
- Chance

The job of every decision maker is to optimize the first two factors and not be held hostage by the third.

There are several principles that should guide your approach in addressing high impact decisions:

- Organizations don't make decisions, people do.
- The best decision outcomes come from high decision quality plus high commitment to the solution.
- Advocacy based approaches to decision making are fatal (where advocates lobby for their preferred solutions).
- It's not a decision until there is commitment and action.
- A good decision can be properly engineered like any process, product or creation.
- Effective leaders are intentional and consistent in their decision making process.

The ADD Process

Our consulting roadmap for managing important decisions follows the Assess / Decide / Deliver process:

The purpose of the *Assess* phase is to develop a full and complete understanding of the decision situation, and plan for its analysis.

The purpose of the *Decide* phase is to determine the correct decision analysis method for the situation, complete the analysis, and 'package' the recommendation for review and approval.

The purpose of the *Deliver* phase is to plan for the decision's implementation, and take active steps to give the decision its highest probability for a successful outcome.

The Assess Phase

The primary objective of the Assess phase is to make sense of the decision situation and plan for its analysis. To do this, the Decision Leader and team must:

1. Gain awareness, understanding and comprehension of the events and factors that preceded this and have led to the organization to enter the decision process.
2. Understand the connections and complexities of these factors - to determine the impact of each one on the upcoming decision.
3. Achieve shared understanding of this with others involved in the decision process.
4. Identify key decision roles and the people who will occupy them for the decision project at hand.

Many decision projects get off on the wrong foot because of a failure to fully understand the situation that is wrapped around the decision itself. (How many times have you thought "we just came up with a great solution to the wrong problem"?) Failures in this area are often due to these causes:

- Plunging in to the decision without accurately assessing the bigger picture.
- Failing to fully understand why the decision is being considered in the first place.
- Seeing the decision situation from a limited and narrow scope.
- Selecting the wrong people to analyze the situation and make decision recommendations.

The responsibility of the Decision Leader is to ensure the situation is fully understood prior to engaging in the decision analysis process. The outcomes of a decision assessment are:

- making sure the right problem is being addressed.
- alignment on the purpose and scope of the decision.
- determining the right people to work on the decision project.
- selecting the right analysis method for the decision.

One relevant principle at work here is "situational awareness" . This involves being aware of what is happening around you to understand how information, events and actions will impact the decision project's goals and objectives. Thus, situation awareness is viewed as "a state of knowledge." Our Decision Leadership process includes four tools to help you and your team in assessing decision situations and achieving a high level of situational awareness:

1. Decision Charter
2. Decision Assessment worksheet
3. Situation Analysis
4. Decision Roles worksheet

The **Decision Charter** is a communication tool which launches the decision project and describes its purpose, boundaries and roles.

The **Decision Assessment** worksheet is a tool to gain understanding of the circumstances of the decision situation, including what the decision objective is, why it's important, who is involved, what key considerations are embedded, and when it is to be analyzed and made.

Situation Analysis is a tool to help gain clarity and understanding, when the decision is being undertaken in response to a problem, gap, or other significant issue that is being faced by the organization.

The **Decision Roles** process helps the Decision Leader identify the key roles that exist in every high stake decision process, and what can go wrong if these roles are ignored or misunderstood. The process also helps the team identify who is occupying each role for the decision project at hand.

Many of our clients have *Certified Decision Focus Coaches* who are skilled in these tools and can assist teams in their proper use. If your organization does not have Decision Focus Coaches, contact us anytime for more information on these tools and processes.

The Idea in Practice

What important decision are you or your team struggling with? What makes this decision difficult?

Next month we focus on the *Decide* phase of the ADD model, and offer several ways to apply sound decision thinking to high stakes decisions.

Quote of the Month

"It is reason, and not passion, which must guide our deliberations, guide our debate and guide our decision."

- Barbara Jordon
