

## What You Need to Know About Making Decisions

**W**hen it comes to making important decisions, many organizations fall into the hidden trap of adopting an approach that's designed to produce poor outcomes. In their Harvard Business Review article entitled "*What You Don't Know About Making Decisions*", authors David A. Garvin and Michael A. Roberto describe the pitfalls of this flawed approach to decision making:

*"Many leaders get decision making all wrong. The reason? Most businesspeople treat decision making as an event – a discrete choice that takes place at a single point in time. The fact is, decision making is not an event. It's a process, one that unfolds over weeks, months or even years; one that's fraught with power plays and politics and is replete with personal nuances and institutional history; one that's rife with discussion and debate; and one that requires support at all levels of the organization when it comes time for execution. Our research shows that the difference between leaders who make good decisions and those who make bad ones is striking. The former recognize that all decisions are processes, and they explicitly design and manage them as such. The latter persevere in the fantasy that decisions are events they alone control."*

In their research, the authors observed two broad approaches to decision making. **Inquiry** is a very open process designed to generate multiple alternatives, foster the exchange of ideas and produce a well-tested solution. **Advocacy**, on the other hand, is where participants approach decision making as an event and a contest. Advocacy tends to be a closed process that focuses on a single alternative.

*Characteristics* of the advocacy approach include:

- Hard "selling" of a proposal.
- Trying to win the case (like an attorney).
- No alternatives offered; instead a 'go' or 'no go' decision on one option is forced.
- Arguing the positives of the solution while down playing the negatives.
- Making a compelling case and winning approval.

*Pitfalls* of the advocacy approach are many:

- Reliance on one option precludes the chance to explore multiple solution alternatives.
- Disagreements can grow fractious and even antagonistic.
- Personalities and egos come into play and differences are resolved through battles of will and behind-the-scenes maneuvering.
- Each decision will inevitably produce winners and losers.
- The losers, to the extent they can, will continue fighting the decision long into the execution phase. This increases decision cycle time – the total time from the point a decision process begins to the time where the final decision is not only made, but fully executed and the benefits realized.

Successful leaders know the preferred way to manage important decisions is the inquiry approach. Groups that employ the inquiry method consider a variety of options and work together to discover the best solution. While people naturally continue to have their own interests, the goal is not to persuade the group to adopt a given point-of-view, but instead to come to agreement on the best course of action. Rather than suppressing dissension, an inquiry process encourages critical thinking.

*Characteristics* of the inquiry approach include:

- Framing decision objectives to create multiple solution possibilities.
- Making assumptions visible.
- Generating multiple alternatives.
- Evaluating each feasible alternative using appropriate analytical tools.
- Collaborating with others to work through differences of ideas, concepts and assumptions.
- Finding the best solution.

The clear advantage of the inquiry approach is that it produces decisions of higher quality – decisions that not only advance the company’s objectives but also are reached in a timely manner and can be implemented effectively. However, this approach requires a commitment from the leader and a discipline for managing the process. The authors set forth several “indicators” that leaders can assess to determine if they are on the right track:

- Multiple alternatives – when many alternatives are considered, teams engage in more critical analysis and thought.
- Assumption testing – any method which makes assumptions visible is a superior approach. It helps the team confirm or challenge the assumptions, and act accordingly.
- Well defined criteria – this makes competing concepts, arguments and alternatives much easier to judge objectively.
- Dissent and debate – an inquiry based process facilitates cognitive conflict, where the goal is to express differences openly and challenge underlying assumptions, introduce new ideas and explore alternatives. The advocacy approach produces interpersonal conflict, which manifests itself in personal friction, rivalries and clashing personalities.
- Perceived fairness - this is the “procedural justice” in the decision process. If team members believe their views were listened to and considered – that they had an opportunity to influence the final decision, and that the process was fair, they are far more willing to commit to the outcome even if their views did not prevail.

### *Summary:*

The goal of every leader is to get three things right in the decision process; quality, speed and buy-in. The advocacy approach is clearly at odds with this, and must be replaced by the inquiry approach. One of the best ways to facilitate this is to install a rational process for decision making that encourages multiple options, facilitates cognitive conflict and is perceived as fair and objective by the stakeholders.