



**Nancy Proffitt**

Proffitt Management  
Solutions  
326 Maddock St.  
West Palm Beach, FL  
[www.ProffittManagement.com](http://www.ProffittManagement.com)

561-582-6060  
[info@proffittmanagement.com](mailto:info@proffittmanagement.com)

## BETTER LEADERSHIP DECISION-MAKING

An organization's health is only as sound as its leader's decisions. Some companies prosper from wise leadership directions, while others struggle after flawed choices—the kind that receive extra publicity because of the adverse impact on their organizations, people and communities.

The pressures and expectations that face leaders in today's demanding climate may prompt a skewed, rushed or compromised decision process. But leaders who approach decisions with objective, rather than subjective, criteria can maximize their organizations' potential.

## DECISION MAKING BASICS

Two fundamental forces determine our prosperity: decision quality and luck, asserts World Series of Poker champion Annie Duke in *Thinking in Bets: Making Smarter Decisions When You Don't Have All the Facts* (Penguin, 2018). Leaders instinctively (and rightly) dislike depending on luck and want their decisions to shape the future.

In our fast-paced world, important issues never become simpler, only more complex. You have less time to take each course of action and make each choice, with an ever-increasing impact on outcomes. Decisions that don't go well are critiqued and analyzed. The need to make good decisions has never been more paramount—not just for leaders' well-being, but for everyone under their authority.

People have two different modes of thought when a decision is required, and each has its place:

1. Automatic, or “flash,” mode: More reactive than responsive, it's based on instinct and feelings when emergency situations can't wait for much analysis. Leaders must react immediately or fail.

## *A message from Nancy...*

Let me ask you:

- Are the people on your team engaged and committed or just collecting a pay check?
- Do you have the right people in the right seats on the bus? Are you in the right seat?
- Is the high cost of turnover eating away your organization's bottom-line?
- Are your processes and procedures (or lack thereof) delivering productive and efficient results?
- How comfortable are the members of your senior team managing and leading others?

In today's highly competitive environment, it's no surprise that "what got you here may not get you there."

At Proffitt Management Solutions we are fully committed to providing a unique blend of team and individual development and executive coaching sessions where participants achieve more focus, a sense of purpose, and better results in their leadership roles.

Find out how services such as individual or team coaching and development, motivational and skills workshops, seminars may help you better answer those 5 questions and benefit you...

2. Analytical mode: This is, of course, is a slower and more methodical decision process, where time allows for (and requires) thorough evaluation of all options and outcomes. Long-term planning calls for the analytical decision mode, where a leader must respond wisely or fail.

A leader's decision-making success hinges on resolving the balance between these two modes, Duke maintains. React when necessary, but learn to shape your reactive thinking with as much analysis as possible. Great leaders also learn to prioritize choices that benefit everyone over those that advance their personal agendas.

Decision-making burdens many leaders because each choice rules out an alternative. Other courses of action must be abandoned, and their potential outcomes never come to fruition. This can cause hesitation or paralysis. Leaders are misled into thinking they can hold off making decisions without consequence. But making no decision is in itself a decision, with a separate set of consequences. There's no escaping it: You always make a decision at every crossroad.

Uncertainty is another challenge for decision-makers. Conditions are constantly changing, and information may be incomplete. Some data are misinterpreted or misunderstood. Some situations are subject to chance, and unknowns may not be recognized until after a decision is reached. Experienced leaders know that even a wisely crafted decision, one made with full analysis and care, can go south. There are no guarantees. Yet, decisions must still be made, and leaders must be held accountable. It comes with the territory.

## **DECISION ROADBLOCKS**

Numerous innate traits inhibit our decision-making process. Executive coaches are trained to spot these human tendencies and help mitigate them to manageable levels.

The executive consulting firm McKinsey & Company describes a basic decisiveness roadblock: being overwhelmed by a situation's complexity. When this occurs, leaders experience anxiety, doubt and hesitation that can distort the thinking needed to make a wise decision. Everyone has a specific threshold for discomfort. If you're easily taken aback by uncertainty, you'll be challenged to effectively work through the decision process.

Associating a decision's quality with its outcome is another damaging roadblock. Leaders beat themselves up, thinking "I should have known better," even when they're not at fault. Duke calls this "hindsight bias," which occurs when seemingly unassailable ideas fail after unforeseen factors take their toll. Leaders have a hard time seeing that unfortunate outcomes don't necessarily mean their decisions were flawed. They may have made the best decision possible at the time, which is all anyone can do.

Leaders who struggle emotionally with failure often envision only positive outcomes, despite any information to the contrary. In their need for certainty and comfort, their thoughts can be irrational. They misunderstand causes and their effects, can't spot some painful truths or avoid negative ideas. This roadblock to reality produces severe consequences.

An offshoot of irrational thinking is bias. Leaders may rely on a slanted worldview or preconceived opinion, passing input through a subjective filter. Leaders tainted by ingrained belief systems see and hear what they want to believe. Minimizing emotional threats insulates their beliefs and offers protection. Important decisions based on biased thinking are often riddled with errors.

Pride is yet another roadblock to sensible decision-making. Leaders who believe they've cornered the market on good ideas dismiss others' input. They avoid new thinking because they fear they'll appear inferior. Proud leaders sidestep risks or the unknown to prevent the kind of failure that draws questions about their competency. Pride also leads them to cover a trail of mistakes, which prevents them from learning. Decisions made under the influence of pride rarely go well.

Fear is perhaps the most stubborn roadblock to effective decision-making. Leaders plagued with insecurities and terrified of failure worry about their image. Averse to risk, they lean conservatively, always concerned with the cost of a wrong choice. They're prone to making decisions out of self-preservation, bypassing what may best benefit the organization. Most leaders' fears are rarely justified.

## DECISION-MAKING SOLUTIONS

Leaders can use three primary tactics to overcome decision-impairing roadblocks:

1. Minimize the level of uncertainty.
2. Raise their comfort level with unavoidable uncertainties (perhaps harder to adopt).
3. Refine their thinking to process information better and draw reasonable conclusions.

Each strategy contributes to a sturdy foundation for making choices, pointing the way to higher levels of knowledge, improvement and expertise. Leaders can thereby bolster their confidence and heighten their ability to make better decisions.

Notice that the first tactic doesn't focus on eliminating uncertainty. Virtually all decisions carry some degree of uncertainty. If a situation is 100% certain, it wouldn't require much of a decision (or a seasoned leader to make it).

Minimizing uncertainty requires the most accurate information available. Leaders can turn unknowns into facts by asking questions and considering as many angles as possible. Thinking outside the norm helps identify obscure issues. There should be no instances of "we never thought of that." Great leaders take advantage of an experienced team to address relevant issues. Trying to attack decisions alone never matches collective brainpower.

McKinsey's consultants advise leaders to remember they needn't know everything. Strong leaders tap the resources at their disposal and admit they can't do everything themselves. Such transparency also raises the trust they earn. Greater support from respectful followers eases pressure, reduces perceived threats and lowers the anxiety of making decisions. There's power in unity.

Leaders who embrace the discomfort of uncertainty make the greatest strides in growth, both personally and professionally. Becoming comfortable with some risks and strengthening one's resolve through uncertainty makes decision-making less daunting. Draw solace in

knowing all leaders are in the same boat, working under the same conditions. It's part of the universal leadership experience. Allow risks to sharpen your focus and determination. Ultimately, you have little control over certain circumstances, so some degree of uncertainty is acceptable. It doesn't prevent you from making great decisions.

Duke suggests shifting your focus away from how much uncertainty you have to the degree of confidence you're facing. Make uncertainty a quantitative and objective analysis rather than an emotional concern. If you can estimate your confidence level, you can gauge where you stand and assess how much improvement you need to be comfortable making a decision. Gather pertinent facts to reduce uncertainty and make the wisest possible decision.

## CLEARER THINKING

Fact-finding and information management can be taxing, even to seasoned leaders. Emotions influence most thought processes, and leaders can be left with distorted impressions. McKinsey's experts advise leaders to pause, take a step back and calm the mind. Approach thinking more rationally, and don't allow anxiety to overrun reason.

Leaders who come to appreciate other perspectives solve problems most productively. Active listening skills are the best tool for engaging staff and enhancing rational thinking. Taking an objective approach, with input and choices, reduces emotional influence, bias, fear and rumors. Getting to the truth always leads to more accurate decisions.

Clearer thinking also comes from lessons learned. Legends and unsubstantiated beliefs can finally be put to rest. Leaders who continue to learn, read, ask questions and research gain more real-life knowledge of how their world works. Ask friends and colleagues about their experiences and what they learned from them. These steps reduce misconceptions of current problems and their causes. They also clarify effective solutions, ensuring better outcomes for future decisions.

Our culture draws a heavy line between right and wrong. Outcomes are considered either failures or successes, with few gray areas. Rightness is praised, and wrongness is condemned. Leaders therefore strive to be right to protect their reputations. Duke urges leaders to stop trying to be right, as our culture defines it. Good decisions can still go awry, and a poor outcome doesn't mean a decision (or leader) was bad. There are too many factors at work behind the scenes, some of which are truly out of your control. Clearer thinking takes this into account and allows greater satisfaction in making the best possible decisions.

Leaders known for their good decisions employ these approaches, maximizing their certainty, clarifying their thinking and enhancing their confidence. Their decisions benefit their organizations, in lieu of themselves, and garner the respect and trust that seem to be sorely lacking today.