

Leadership Decision Making: Lessons Learned on How & What to Avoid

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Be willing to make decisions. That's the most important quality in a good leader.

– General George S. Patton, Jr.

Agenda – Perspectives and Lessons

- The Basics: Why, How, and Who
- Technical & Tactical Considerations
- Strategic, Cultural & Behavioral Considerations
- Managing Blind Spots
- Characteristics of a Good Decision
- Parting Tips

A Continuous Learning Mindset

- New Leader: Glean learning to develop skills.
- Developing Leader: Reinforce. Can you apply in new ways? Check for blind spots.
- Seasoned Leader: Refresh. How can you develop others?



Why Decision-Making is Important



Drives performance



Fosters influence by building team's confidence in your leadership



Minimizes errors, waste



Provides clear direction



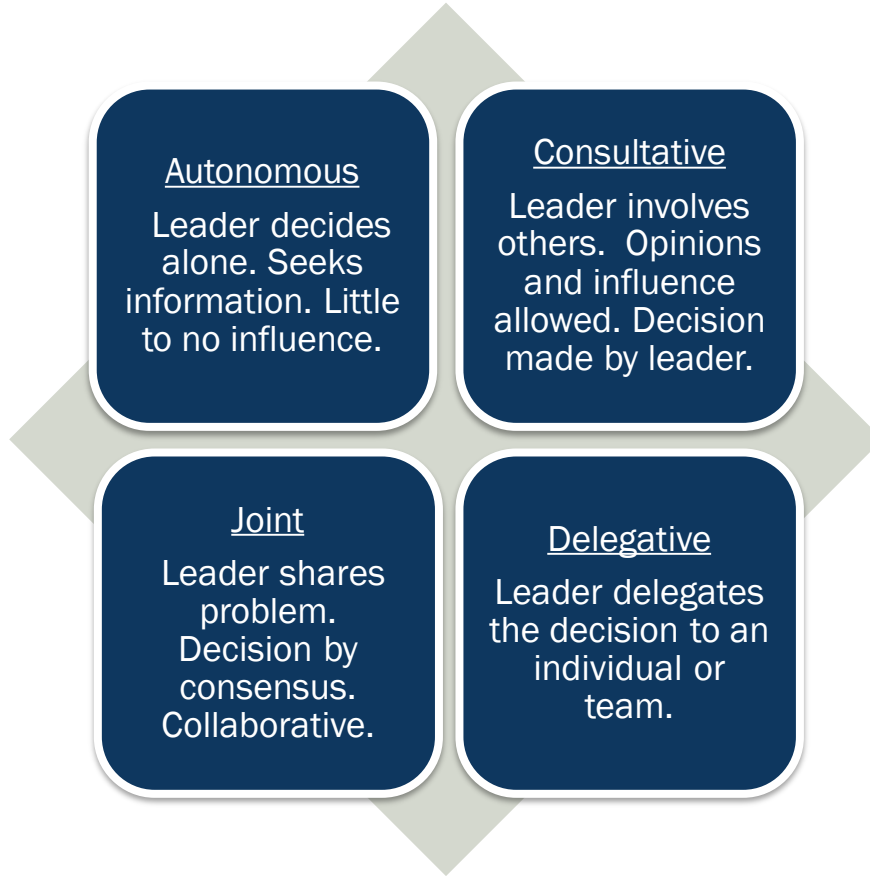
Saves time and money

Once upon a time.....

*“Nothing is more difficult, and therefore more precious,
than to be able to decide.”*

-Napoleon Bonaparte

Decision Making: How and by Whom?



- Determine process early.
- Define roles: Vote/Veto, Input, SME, etc.

Technical & Tactical Considerations

A Roadmap

- Clearly define the problem and vision for outcome.
- Gather Information
- Use Logical Reasoning to develop creative options
- Test, Select, and Implement
- Review and Revise
- Communicate, Communicate, Communicate

Strategic Considerations

Leadership Competency – Soft Skills

Culture

- Company interest vs personal preference.
- What has been done before?
- Where do you need to impact current culture to achieve desired outcome?
- Is there any impact to strategic partners?



Emotional Intelligence (EI)

What is it and why does it matter?

What is EI?

The ability to understand & manage your own emotions and those of others.

Inward

- Self Awareness
- Self Management

Outward

- Social Awareness
- Relationship Management



Emotional Intelligence: Humility



- Acknowledge: you may not be the SME
- Don't be afraid to consult
- Approach from curiosity
- Engage with psychological safety
- Keep “Big You” in check

Courage

- Lean in to the tough decision.
- Determine tolerance for uncertainty.
- Navigate:
 - when a popular choice is not the best option
 - when the chosen option is not popular
 - unexpected outcomes
- Personal accountability.
 - Consider the consequences
 - have a contingency plan



Manage Blind Spots

- Procrastination
- Analysis Paralysis
- Overconfidence
- Too Many Options
- Uncertainty/Risk Aversion
- Rigidity
- And.....



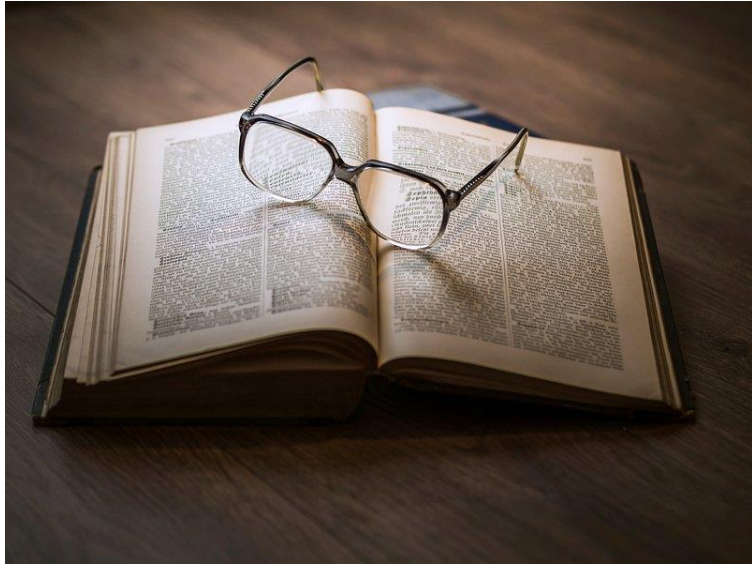
Managing Bias

| Action Oriented | Description | Alternatives Framing | Description |
|-----------------------------------|--|--------------------------|---|
| Excessive Optimism | Overestimate likelihood of positive events and underestimate the negative. | Loss Aversion | Risk averse to the point of impacting rational calculations. |
| Overconfidence | Overestimate our skill level. | Sunk Cost Fallacy | Focus on historical non-recoverable loss when considering future actions. |
| Perceiving & Judging Alternatives | Description | Escalation of Commitment | Investing resources in a losing proposition because we've already invested. |
| Confirmation Bias | Lean towards options that confirm favored beliefs. No impartiality. | Controllability | Misjudging risk due to believing we control outcomes more than we do. |
| Anchoring | Base decision on initial values/data. | Stability | Description |
| Group Think | Consensus at the cost realistic options. | Status Quo | Preference for current state vs change. |
| Egocentrism | Narrow focus on our own perspective. | Present Bias | Preference for immediate rewards and undervalue long-term gains. |

Characteristics of a “Good” Decision

- Developed from multiple viewpoints
- Made as close to the issue as possible
- Address the root cause
- Considered horizontal, vertical, and future impact
- Balanced short and long term value
- Well communicated
- Timely

Did they live happily ever after?



- I got myself unstuck.
- I owned my mistake.
- I developed a plan with the input from others.
- I communicated vertically and horizontally.
- It took about 4 months to stabilize.
- I did a post-mortem review.

Parting Advice

- Define the problem well. Lean in.
- Keep your goal in mind.
- Step away and allow for distractions.
- Weigh risk of doing vs not doing.
- Manage emotions.
- Don't underestimate the blind spots.
- Forgive past mistakes & recover well.
- Postmortem review.



“Great leaders don’t lead others with bitterness or resentment of past mistakes, they lead with hope and knowledge of the past to inform greater decision making in the future.”

- Spencer Fraseur, Author