

## Making Better Decisions

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**Abstract.** Supply management professionals make things happen. Through your person, your position, and your style you influence other people. Success in your department or organization reflects on your ability to make sound decisions. In fact, in professional life it is often more important to be decisive than it is to be right.

Decisiveness inspires support in addition to intimidating the opposition. In many cases, a not-so-great decision made quickly can have better results than a good decision made slowly. Movement in any direction can bring a new perspective that makes the right decision obvious.

It's been estimated that 80% of business decisions should be made on the spot, 15% need to mature, and 5% need not be made at all. Decision-making success can also be increased if we stop trying to solve today's problem with yesterday's solution. When a problem seems similar to one you faced in the past, you're likely to handle it the same way as before. However, the world changes too fast to fall back blindly on old methods. When you're looking for new solutions, seek answers that give as much value as possible to everyone concerned.

Seek information from individuals affected by the decision. Regardless of how good a decision is, it will never work if employees fail to get behind it, or if they sabotage your efforts. Be sure to involve colleagues who see the world differently from you. Force yourself to listen to opposing views. And share the reasoning behind the decision with those affected by it. If you don't you could have a bigger problem than the one you just solved.

Realize that every decision is a risk, and that means you might fail. And if you're not failing occasionally, you're not taking enough risks. Then too, know that you can change your mind. Most decisions are not only adjustable but also revocable. When facing a decision, get comfortable with the fact that you can't know for sure. In fact, learn to respect your hunches.

Intuition is not random. It's the result of accessing the vast knowledge and experience in your subconscious mind. Many brilliant decisions come from the gut. People who make decisions for a living are coming to realize that in many situations, intuition often beats rational analysis. Psychologist Gary Klein learned that in studying firefighters they don't weigh alternatives while battling a blaze. They simply grab the first idea that seems good enough, then the next, and the next after that. To them it doesn't even feel like deciding.

Human beings are superb pattern makers. Much of what we call instinct or intuition is simply pattern recognition taking place at the subconscious level. Research suggests that neither a purely rational nor a complete gut inspiration is right all the time. The best approach lies somewhere between the extremes, the exact point depending on the situation. In addition, everyone can hone his or her intuition. Here are some tips: Learn to listen to that inner voice instead of ignoring it. Dismantle the obstacles that prevent people from using their gut. These types of feelings are hard to express, so give people the opportunity to put hunches into words.

Practice and then practice some more. The more you practice the more patterns you intuitively recognize. Learn to get out of your own way.

In decision-making we need to abandon hope for a better yesterday. Don't waste time revisiting the pain of the past. You can't erase earlier mistakes, especially when considerable time has passed. You can start today to make better decisions. To this end, learn to recognize your personal decision-making biases. Are you more emotional or more logical? Do you love details or do you concentrate on the big picture? Do you jump to conclusions or weigh information forever? Improve your decisions by understanding the person behind them.

Make sure that you're solving the right problem. Ask questions to probe the nature and scope of the problem. Keep people around you who are strong enough to challenge your ideas. And realize that even the best solutions may open the door to new problems. Generate as many solutions as you can before you evaluate any of them. Make sure that each idea gets a fair hearing. Learn from your previous decisions. With the last decision you made, what did you do well and what did you do poorly? Why did this happen? What will you do differently this time?

In business you almost never have enough information to make a decision. This leads to the "paralysis of analysis" where we spend all our time fact-finding only to discover that it's an impossible task to get all the facts. Ask your associates, coworkers, boss, and friends what they think of your decision. Be careful not to telegraph your own opinions. Just present the facts and issues, and let others tell you what they would do. And remember, you have the final responsibility for every decision you make.

In serious matters, don't make a rush decision. Go to the experts if you need more information. A call to your attorney, accountant, insurer, etc. could provide the additional insight you need. It helps also to think of the best and worst possible outcome of your decision. How much can you afford to put on the line? This is a good question to ask before any serious decision-making.

A good decision-making process has certain characteristics. Decisions should translate the organization's strategic plan into action. The more decisions that point in the strategic direction, the faster the organization will move ahead. A decision should feel like one piece of a larger puzzle rather than the most important one. Consider how each decision fits into the bigger picture and with other decisions, other time periods, and other departments. And watch out for decisions that seem to solve all the organization's problems.

Many decisions make perfect sense in a perfect environment. But environments aren't perfect. They contain uncertainty and contradictions. Good decisions consider likely as well as less likely scenarios. A good decision will consider the expected as well as the unexpected.

Good decisions are based on input from many sources with different points of view. What may be the perfect answer from a marketing point of view may be the wrong answer for production. What will help one customer may hurt another. An effective decision-making process will approach a problem from different perspectives. Creativity in decision-making involves considering different options. If decision makers are truly exploring possibilities and options, they will disagree about many things – at least initially.

Good decisions lead to successful action. Decisions you cannot implement are not very useful. People who have to implement a decision should know about it, be excited about it, and know what they need to do to implement it. Many decisions sound good on paper, but just will not fly. Once a decision has been made, it should be communicated to all those who are affected by it. It is also important to clarify what specific actions are necessary to implement the decision and by whom. When people are clear about what is expected of them, they generate the energy for action.

Think of your decision as a beautiful statue you've designed for the people of a mythical town. You want to erect this statue in the town square where the people will praise its beauty and place flowers at its feet. However, before erecting the statue, place rocks in the hands of the workers who have helped you build it. Direct each of them to fire away at the statue. If after the pummeling the statue retains its splendor, it's ready for the square. If, however, you see some damage, you should repair the statue, completely recast it, or forget about it altogether.

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