

Decision Making

(or How to Tell Good from Bad Decisions
and How to Avoid Bad Decisions)

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Among the maxims on Lord Naoshige's wall,
there was this one:

“Matters of great concern should be treated lightly.”

Master Ittei commented,

“Matters of small concern should be treated
seriously.”

Yamamoto Tsunetomo, *Hagakure* (1716)

In the words of the ancients, one should make his decision within the space of seven breaths.

Yamamoto Tsunetomo, *Hagakure* (1716)

Your Decision

(within seven quick breaths and to be taken lightly)

Would you kindly vote simultaneously
... whether you want the first row
to leave the room?

 agreement

 have concerns but won't block consensus

 I don't agree and I won't accept this proposal

Vote consecutively or simultaneously?

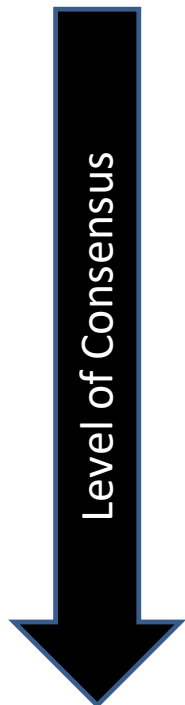
In which context to vote (location, time)?

What kind of decision needs which level of consensus?

Which level of consensus is realistic for which group size?

What alternatives to consider?

How easy shall it be to block a decision?



Unanimous agreement

Unanimous consent

Unanimous agreement minus one vote or two votes

Unanimous consent minus one vote or two votes

Condorcet consensus

Super majority thresholds (90%, 80%, 75%, 2/3, 60% ...)

Simple majority

Executive committee decides

Person-in-charge decides

(see wikipedia "Consensus decision making")

Two levels of a decision

Relationship between the decision makers

Subject matter of the decision

A bad decision

... is not implemented

... by everybody

... the same way

... leads to a different result than intended

(is that necessarily bad?)

... divides the decision makers

... is supported by consent and not by
agreement

... does not maximize overall satisfaction

How do you recognize a good decision?

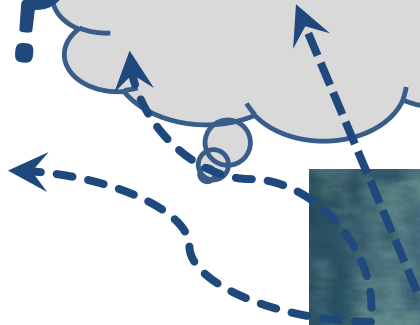
A Facilitator's Perspective

Characteristics of Good/Bad Processes

Good Decision Making	Bad decision Making
People were engaged, motivated, experience that they have participated	People do not show up for the meetings, avoid discussions, express themselves negatively or avoid addressing the subject matter
The group is even more united now – team spirit	The group is even more split, division, polarisation
Decisions were made	Decisions are still pending
Months later people still respect and live by the decisions made	Decisions made are not being respected or followed

???

??



Process of decision

- Preparation (more than one option)
- Detailed briefing
- Execution of the decision
- Never deviate from the taken decision (only in emergency circumstances)
- Debriefing (positive / negative points)

Execution of decisions

- Build an execution plan
- Follow your execution plan
- Don't interrupt the execution plan
- Finish the execution plan
- Trust the execution plan

Consequences of decisions

- Convince concerned people of the decision
- Live with the result, don't be afraid of
- Gain a positive feeling
- Failure is not the result of the decision as such, but of the circumstances

Lessons to learn

- Uncertainty and mistrust are big obstacles in a decision making process
- You have to be ready to repeat your plan multiple times
- Set up realistic time limits for ending discussions and taking decisions
- Expectations are often too optimistic

Bear in mind ...

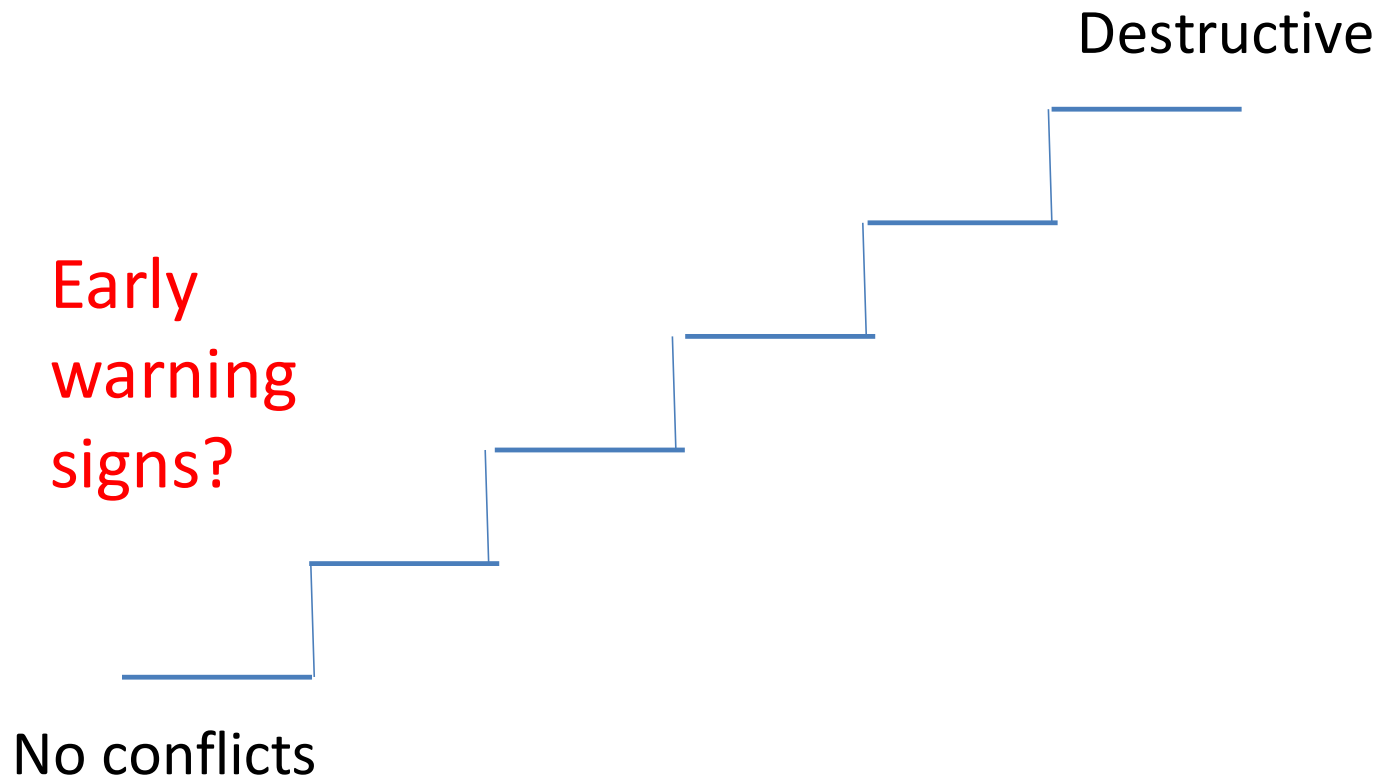
THERE IS NO WORSE DECISION

THAN

NO DECISION

A Facilitator's Perspective

Awareness of the Conflict Ladder



A Facilitator's Perspective

What is "Best Practice" in our Business?

- If we assume that the Conflict Ladder is relevant for our business too, what are the early warning signs we should be aware of?
- What is "Best Practice" in our business – how do we ensure that we react rationally and avoid stepping up on the conflict ladder?

A Facilitator's Perspective Awareness of the Conflict Ladder



A Facilitator's Perspective

Addressing the Conflict Ladder "Best Practices"

The Warning Signs:

- Less fun at work, less likely to meet and talk, less meetings, complaining, talking about the others rather than with the others, shifting from face to face communication to e-mails

Best Practice in Other Businesses

- Awareness of the serious risks for the business on the next steps
- It is good leadership and professional to act on what you see – in time
- Everyone has a responsibility for reacting



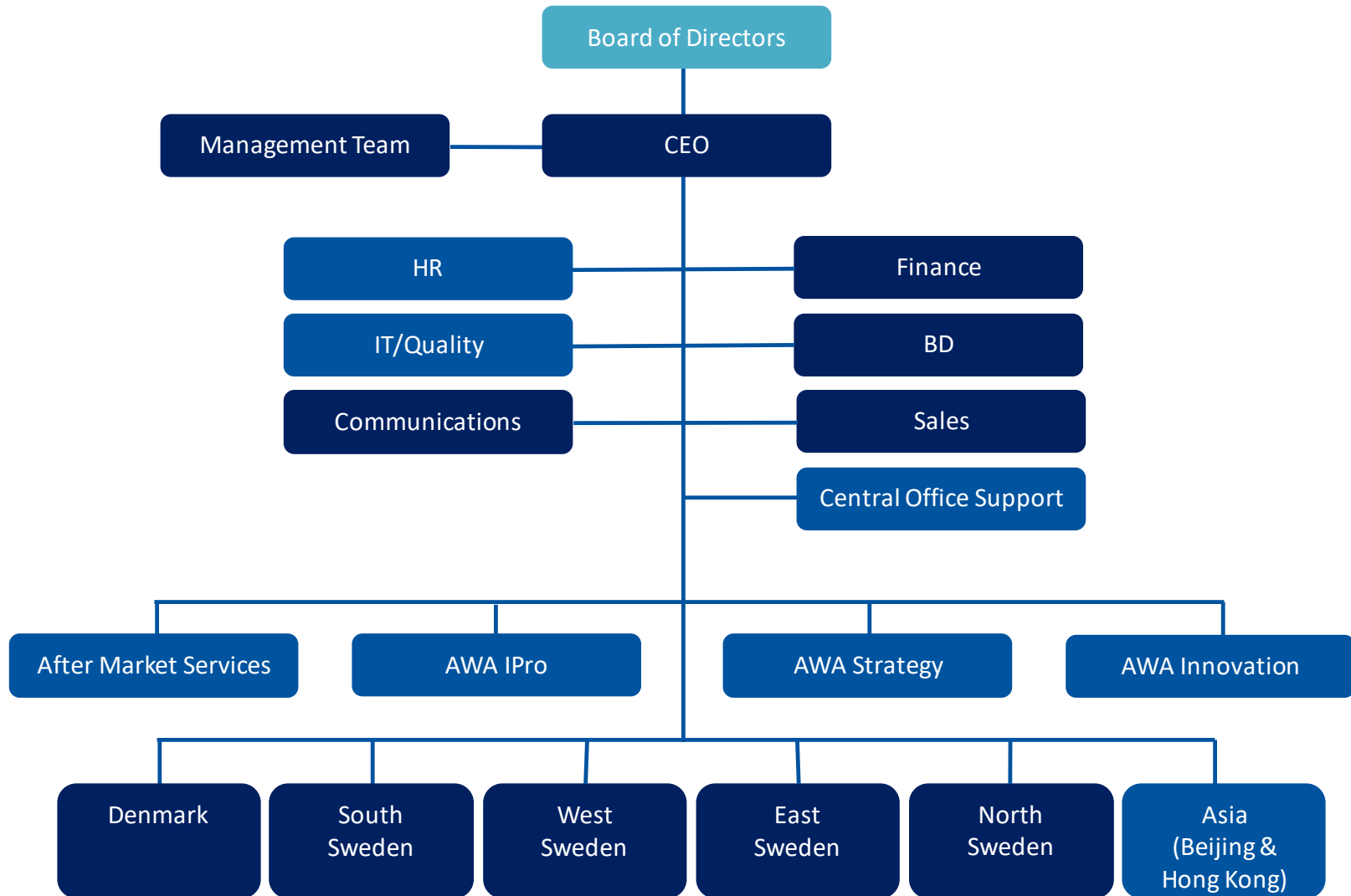
Magnus Hallin

Decision Making

The importance of investing time to align the firm prior to decision making



The AWA Group



The importance of investing time to align the firm prior to decision making



Decision making framework




Mission

Vision and values

Strategic plan

(Based on common market outlook)



Said = Heard
Heard = Understood
Understood = Agreed
Agreed = Done
Done = Sustained



Said ≠ Heard
Heard ≠ Understood
Understood ≠ Agreed
Agreed ≠ Done
Done ≠ Sustained

A Facilitator's Perspective

Characteristics of Good/Bad Processes

Decision making can impact group unity,
positively and negatively

Option	Pro	Cons	Uses	Time
One person	Fast, uncomplicated	Too fast, no dialogue	When dialogue does not create value	Minutes
Compromise	Dialogue, solution created	Two camps, divides the group	When positions are polarized	Hours
Voting	Fast, high quality with dialogue, clear outcome	May be too fast, winners and losers	Trivial matters, and when division of group is acceptable	Half a day
Multi voting	Systematic, objective, participative, feels good	Limits dialogue, real concerns may not surface	To prioritize a longer list of options	A day, preparation and half a day workshop
Consensus building	Involvement and engagement, collaborative, systematic, commitment	Requires time and skills	When issues are important, when total buy-in matters	1-2 days preparation, and 1 day workshop

A Facilitator's Perspective

When do You Need Consensus Building?

- You should consider consensus building when:
 - You need to make decisions about important issues that will impact the entire group
 - Buy-in and ideas from all members are important
- Consensus building – the decision that everyone can commit to and that everyone can live with
- Allocate time and resources – upfront

Using the Past to Shape the Future

- Two and two – Share a great personal experience you have in relation to your company within the last year – what was good about it?
- Group work – What are we really good at? Our best clients, why do they prefer to work with us? What are we particularly good at? What are we really proud of? Where are we comparatively stronger than our competitors?

Shared visions on the Future

“Imagine you are in 2020 ...”

- What are the top reasons we are respected for by our clients?
- What are the top three professional reasons you prefer to be a partner in our company?
- As workplace we function well above average in our business. What is it we are doing so well?



A Facilitator's Perspective

Summary of the "Need to Know"

- Dangerous not to make decisions
- Beware: We may tend not to want to decide, not even to meet
- Some types of decisions may be worth investing more time and resources:
 - When they are important for the whole group and group unity, and when buy-in and commitment matters

When you decide you need good decision making, how do you do it?

A Facilitator's Perspective

Planning and Designing the Process

- Preparation, planning, coaching based interviews
- All meetings and workshops are prepared individually, taylor made
- Clear mandate – the right people involved
- Development of the structured, stepwise process to be used – transparency
- Groundrules for the meeting

A Facilitators Perspective

Behaviors that Helps Effective Decision Making

Behaviours that Helps	Counter Productive Behaviours
We listen to the others' ideas and point of views, acknowledge different point of views	Arguing against others' ideas, arguing for your own ideas, arguing for winning the discussion
Building on others' ideas	Promoting own ideas, pushing for predetermined ideas, shooting down others' ideas and arguments
Analyse first, describe pros and cons – decide later in the process	Deciding for or against as soon as suggestions come up, argue for own suggestions to "winn the debate"
Listen to everyone, assume everyone can contribute to the decision making process	Not acknowledging idears of others, not assuming that everyone in the group can or will contribute
We listen to each other to learn and understand	Shooting down any suggestions and alternatives in order to promote own suggestions and ideas
We understand and approve the steps in the decision making process	Lack of understanding of the process or not respecting the agenda or the facilitator's mandate

A Facilitator's Perspective

Decision Making Workshops

- Solid preparation – Clear mandate, right people
- Using techniques that make people listen to each other
- Breaking the decision process up in steps, building blocks
- Plenty of dialogue and group work
- Appreciative Inquiry – Induces energy, gets people in solution mode
- Being transparent, explaining the process
- Ensuring that next steps and follow-up is agreed

Summary of the "Need to Know"

- Dangerous not to make decisions
- Consensus building requires time and resources (and sometimes facilitation as well)
- Not affording this time and resources may come at horrible costs

Good Decision Making

Dialogue, Questions and Answers

- Please talk to the person(s) next to you about the take-aways from this session – What may be useful for you you? (3 minutes)
- Questions and answers in plenary

Thank you

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A Facilitator's Perspective – Agenda (1)

Getting the Team Ready – Inflight

- Welcome
- Setting the scene, mandate for the session, what it is we need to decide
- Levelling of expectations
- Presentation of the agenda, the plan or approach for reaching the decision. Intentions and purposes of the steps, in view of the expectations
- Agreement on the ground rules, appropriate shared norms for the discussions at the meeting
- Two and two: A good personal experience and example of "good decision making process"? What happened? Why was it good?

A Facilitator's Perspective – Agenda (2)

Main Steps in the Process

- Dialogue: What underlying assumptions are important for us to understand?
- Group work: Desired Outcome – What will a good decision look like? What will be different?
- Present situation: Review of the facts describing the present situations and causes of the situation
- Group work: Brainstorm potential solutions using brainstorming techniques,
- Brainstorm and evaluate criterias to be used to sort out solutions
- Evaluate solutions against criterias
- Identify the solution that everyone can live with

A Facilitator's Perspective – Agenda (3)

Agree on the Plan of Action and Follow Up

- Group work: Develop plan(s) of action
- Plenary: Enrich, comment, add – any ways we can make the plan stronger?
- Agreement on the plan(s) including how we will follow-up, on a time line, with indicators
- Group discussion: Challenge the plan. What could prevent us getting success we want? How will we mitigate?
- Next steps, how will we use the result(s) of today?
- Evaluation of today, results and the process

Good Decision Making

Dialogue, Questions and Answers

- Please talk to the person(s) next to you about the take-aways from this session – Are they usefull to you? (3 minutes)
- Questions and answers in plenary