

Improving Workplace Decision Making



Today's Challenges --- Tomorrow's Profits

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About the Author

Robert W. Wendover is an award-winning author of ten books who has been researching and writing about workforce trends for more than 30 years. He has written or contributed to more than 300 articles for a wide variety of national publications. His credits include CNN, CNBC, *The Huffington Post*, *The Atlanta Journal Constitution*, *The Detroit Free Press*, *The Florida Sentinel*, *The Denver Post*, *The Providence Journal*, *the Fort Worth Star-Telegram*, *Entrepreneur*, *Money* and even *Women's Wear Daily*.

Along with ten years on the faculty of the University of Phoenix, Bob has served as a special advisor to the American Productivity and Quality Center and on a number of corporate and academic studies regarding workforce trends. Since 1988, he has conducted more than 1200 speaking engagements from the towers of Wall Street to the outback of Alaska. He holds degrees in industrial arts, psychology and education. He has earned the designation of Certified Speaking Professional from the National Speakers Association.

Common Sense Enterprises has been teaching employers how to better lead and manage their talent for more than a quarter century. Formerly the Center for Generational Studies, our team has specialized in four specific aspects of the talent equation:

- **Recruitment & Retention of Employees**
- **Managing Cross-Generational Teams**
- **Improving Daily Workplace Decisions**
- **Preparing for the Workforce to Come**

Over the years, our clients have included Citigroup, Deutsche Bank, IBM, KPMG, Discover Card Services, Shell Oil, Lockheed Martin, International Dairy Queen, Kaiser Permanente, CITGO, Chevron USA, the Food Marketing Institute, Searle Pharmaceuticals, Super 8 Motels, Ace Hardware, Major League Baseball, the Professional Golfers Association and a host of other household names, associations, government agencies and educational institutions.

Throughout these efforts, our focus has always been on the client's bottom line. After all, developing top talent produces top returns.

Executive Summary

How much does poor decision making cost your firm every day? These are not the strategic errors, but the daily missteps due to indecision, impatience or inconsistency made by people throughout the organization. While each may be thought of as inconsequential, aggregately they have a significant impact. Writing in the *Harvard Business Review*, Daniel Kahneman calls these mistakes “an invisible tax on the bottom line.”

Decision making in today’s workplace seems gets more complex by the week. In the process, we begin to believe that we just don’t have time to think. Many times, people find themselves settling. Economist Herbert Simon coined the term satisficing to explain our urge to not make the best decisions, but the decisions that are good enough. For many of life’s tasks, this may be acceptable. But making astute, consistent, broad-minded decisions has become one of today’s critical corporate challenges.

At the same time, the critical thinking skills gap appears to be widening. In a recent study, the Council for Aid to Education found that 40% of new college graduates lack the complex reasoning skills to manage white-collar work. Yet every person your firm hires going forward will need solid critical thinking and decision skills.

The nature of today’s workplace decision making is evolving dramatically. Consider the following elements:

Digital technology continues to have a tremendous impact on workplace decisions. So-called digital immigrants have had to adapt their “analog” ways of thinking and digital natives have had to step outside of their dependence on endless computer prompts. Cultural diversity is another often-overlooked consideration as those from differing backgrounds make the decisions that impact daily functions. While there are opportunities for new perspectives, these differing perspectives can also result in miscommunication and mistaken assumptions.

Management styles have evolved as well. “My way or the highway” has given way to “let’s work together to find a solution.” Then there’s the onslaught of regulation and oversight which has engendered a sense of distrust and fatigue. Managers find themselves balancing between compliance and encouraging healthy business risks. Increased scrutiny, enabled by invasive digital technology,



degrades workplace trust. It’s been proven that trust improves job satisfaction and better satisfaction results in better judgment.

As beliefs about work have changed, those who sought to build a career are giving way to those who see jobs as contracts. The demand to do more with less has also increased workplace stress and resulted in everyone scrambling to keep up.

Daily mistakes are an invisible tax on the bottom line.

All of these elements have combined to produce an environment where employees are feeling less confident about the decisions they make and apprehensive that one mistake might be a career-ender.

The Attributes of an Effective Workplace Decision Maker

Our research has revealed eight attributes the best workplace decision makers share. Here are the top three. (The remaining five can be found in the paper that follows.)

#1. They demonstrate a sense of self-efficacy. These individuals take thoughtful risks, manage the

consequences, and learn from their mistakes. They can be found at all levels, from front-line customer service supervisors to senior leaders.

#2. They listen to all voices but take responsibility for their decisions. Although this sometimes involves discomfort, these individuals have grown to accept the trust others place in them for being focused but reasonable.

#3. They are respectful of bureaucracy, but not stifled by it. The best decision makers find ways to work within the system, while occasionally challenging policies and practices that get in the way of reasonable actions.

Improving Daily Workplace Decision Making

Making adjustments to a firm's culture is always a gradual process requiring perseverance. Here are four strategies we recommend to our clients. (Another six can be found in the paper that follows.)

#1. Teach your employees to embrace the principles and strategies for balancing emotions and logic when making decisions. Help them understand that managing discomfort is a part of growing as an effective decision maker.

#2. Encourage an environment of thoughtful risk. Discussing how previous decisions evolved is crucial to getting your workforce to think creatively and develop the willingness to act with conviction. Make this practice an ongoing effort and others will embrace it.

#3. Incite discussions about effective decision making. Introduce debate during staff meetings, conferences and one-on-one exchanges to bring problem solving to the next level. Bring difficult decisions to meetings and encourage those involved to defend their approaches.

40% of graduates lack the complex reasoning skills to manage white-collar work.



#4. Coach those around you to think critically. Today's skills gap will force you to hire some who lack essential problem solving acumen. Tell your managers to stop enabling these people and instead compel them to think on their own.

Decision Making and Tomorrow's Profits

A senior executive once observed that corporations are nothing more than a collection of daily decisions. As much as some argue that most daily business decisions will be overtaken by technology, reality indicates otherwise. Those who can make the astute, consistent, broad-minded decisions that result in profitable outcomes will continue to play a crucial role in workplace productivity and profitability. It is their judgment upon which your firm depends.

For a more complete exploration of poor decisions' impact your firm's profitability and what can be done about it, read the entire white paper beginning on the following page.

Improving Workplace Decision Making

Today's Challenges --- Tomorrow's Profits

Tim has trouble solving problems when there's no clear answer. Ashley follows policy to the letter, even when it doesn't make sense. Frances makes fast decisions, but overlooks the broader implications. Taylor prides himself on good judgment, even though that judgment lacks consistency.

All of these people work for you. You may not see them everyday or even know who they are. But each one costs your firm thousands of dollars through their indecision, impatience, or inconsistency. Writing in the Harvard Business Review, Daniel Kahneman calls these behaviors "an invisible tax on the bottom line."¹

People like Tim, Ashley, Frances and Taylor can be found at all levels of your firm. They are not confined to the front-line. All four are what researchers classify as "non-routine cognitive" workers. In other words, they work their way through a myriad of problems every day. For each of these problems, they need to discern the issue, evaluate the options, make a judgment, and take an action.

A recent study by Henry Siu and Nir Jamovich showed that all US job growth since 2001 has been in non-routine cognitive positions.² At the same time, the number of so-called "routine manual" jobs in the US has declined from 17.2% in 1986 to 12.1% in 2014. What's more, with every recession, lost jobs of this nature are replaced by non-routine cognitive jobs due to automation or outsourcing. The upshot? As your workforce evolves, every person you hire will need solid critical thinking and decision skills.

Sadly, the critical thinking skills gap appears to be widening. In its testing of 32,000 students on 169 university campuses, the Council for Aid to Education found that 40% of graduates lack the complex reasoning skills to manage white collar work. There are numerous other studies that support this research.³

Making astute, consistent, broad-minded decisions has become one of today's critical corporate challenges.



Decision making in today's workplace seems to get more complex by the week. We're overwhelmed with too many choices, too little time and too much information. In spite of the promises of convenience and efficiency, the reverse seems to be true. As economist [Herbert Simon](#) observed, however, "A wealth of information creates a poverty of attention." In the process, we begin to believe that we just don't have time to think. In a senior position, your ability to control these influences is greater than those working in the depths of the organization. But regardless of role, making effective decisions has become more demanding.

Many times, people find themselves settling. They ask someone's opinion rather than doing the necessary homework to get the decision right. They fail to proof the spreadsheet one final time because there's so much on their plate. They avoid the difficult conversations hoping that the situation will resolve itself. In 1956, Simon coined the term *satisficing* to explain our urge to not make the best decisions, but the decisions that are good enough. For many of life's tasks, *satisficing* may be acceptable. But for those decisions having significant impact, settling costs time, treasure and reputation.

The bottom line is that making the astute, consistent, broad-minded decisions that result in profitable outcomes has become one of today's critical corporate challenges. The purpose of this paper is to define the obstacles you face in improving daily decisions, review the economic impact on profitability and offer practical solutions that will help you improve your firm's productivity.

What's Happening to Workplace Decisions?

Consider how the following elements impact your firm every day:

Digital technology

The proliferation of digital technology has had more of an impact on workplace decisions than any other recent phenomenon. The terms digital immigrant and digital native, coined by [Marc Prensky](#), define one of the essential differences in problem solving between older and younger workers. Digital immigrants have had to adapt their “analog” ways of thinking to make decisions in the age of screens and menus. Digital natives have had to step outside of their “menu-driven thinking” in order to develop the essential problem solving skills required in today’s workplace. After all, computers provide information and programmed options, not discernment and judgment.

Diversity

As the workplace has become more culturally diverse, an often-overlooked consideration has been how those from differing cultures make decisions. How your employees view the world impacts their habits around problem solving. It’s been more than a decade since journalist [Thomas Friedman](#) declared, “the world is flat.” In that time, employers have discovered how global commerce, immigration and the integration of cultures can impact the workplace. On one hand, there are opportunities for new perspectives. On the other, these differing perspectives can result in misassumption and miscommunication.

Management styles

The nature of workplace supervision has evolved remarkably over the past two decades. Baby Boomers and the older members of Generation X have watched the “command and control” hierarchy, prevalent in most organizations, give way to a culture that embraces collaboration.

“My way or the highway”
has given way to
“let’s find a solution.”



Those entering the workplace since the turn of the century, have brought with them beliefs about workplace function and fairness that have compelled corporations to adjust approaches to leadership, work environment, interaction with the community, and plethora of other factors. “My way or the highway” has given way to “let’s work together to find a solution.” Just as the Boomers had a seismic impact the workplace fifty years ago, the Millennials are having a similar impact with their approaches to solving problems and making decisions.

Regulation and oversight

The past decade has witnessed an explosion of legislation and policy that impacts every aspect of today’s corporate world. Employers have found themselves responding to this burden by promulgating rules and practices to ensure compliance. Sadly, surveys indicate this phenomenon has engendered a sense of distrust and fatigue even among those who support the spirit of these statutes. This environment of risk avoidance has an impact on employees’ attitudes about decision making. Managers find themselves fighting to maintain a balance between remaining within the law and encouraging their people to take healthy business risks.

Increased scrutiny

While everyone agrees that accountability is essential to a functioning workplace, numerous studies have found that today’s enhanced oversight,

in many cases enabled by digital technology, degrades trust and consumes needless time and energy. Given a choice between proposing a strategy that's outside the box and complying with existing practices, most people will settle for the latter simply to avoid the scrutiny. The impact of this practice on the quality of daily decisions is incalculable. Workplace autonomy has been shown to improve job satisfaction⁴ Better satisfaction, of course, results in better judgment.

Beliefs about work and work ethic

Whereas most of those entering the workforce in the sixties and seventies were taught to build a career, those arriving in the eighties and nineties sought a more flexible arrangement where a job was more of a contract. Those entering in the past 15 years have sought work that is "one slice" of a more complex and simulating life. Younger workers will still demonstrate loyalty to employers when they feel valued. But the concepts of duty and obligation are an anathema.

The demand to do more with less

A result of the recent economic downturn has been the expectation that everyone accomplish more with less. But as the economy has recovered, these expectations have remained in place. Erin Reid and Lakshmi Ramarajan, writing in the *Harvard Business Review*, maintain that "An 'always available' culture breeds a variety of dysfunctional behaviors."⁵ Some productivity increases can be attributed to this practice. But the increased stress associated has resulted in everyone from the front line to senior management scrambling to keep up. As one supervisor blurted out to a client of mine, "I don't have time to think. I'm just too busy."

All of these elements have combined to produce an environment where employees feel less confident about the decisions they make and apprehensive that one mistake might be a career-ender. At the same time, employers struggle with how to improve the quality of the daily decisions that are the lifeblood of any organization.

Managers are forced to balance between compliance and encouraging healthy business risks.



Why People Make the Decisions They Do

We all like to think we make completely rational decisions. This is simply not the case. Researchers have determined that the emotional brain tends to dominate actions and reactions since it is responsible for our sense of security, both physically and emotionally. Only if the rational brain interrupts this pattern will a person respond logically.

As the comfort throughout our lives has expanded due to technological convenience and other factors, our intolerance for discomfort has increased. This includes everything from escape buttons and artificial intelligence that anticipates our needs to self-closing car doors and trophies for kids who didn't win. Over time, this has proven to be an existential challenge for many. The consequences are easy to understand – when your overall level of comfort is predicated on your tolerance for discomfort, your stress increases even when faced with minor challenges.

We must fail in order to learn. When we learn to deal with discomfort, we are able to keep emotions at bay and make better decisions. But there is no way around the unpleasantness of navigating daily problems. Effective decision makers develop the habits of mind to anticipate these obstacles and develop strategies to deal with them. In other words, they become comfortable with being uncomfortable. They don't despair when things go wrong. They become students of error. They conclude that the

more benefit they attach to discomfort, the more they will perceive it with less fear, as less risky, and as being an asset to protect.

An essential part of brain function is working memory. Working memory is used like a workbench to control attention, to remember instructions, to keep in mind a plan of things to do, and to solve problems. This is accomplished using the electrical circuits in the brain. But if those electrical connections are interrupted by an unexpected event, whatever task is being attended to will be lost as your attention is now focused on the new stimulus.

This bottleneck restricts our ability to attend to one task, event, or person at a time. It is also the reason that multi-tasking is physically impossible. Dr. Daniel Levitin, writing in the *The Organized Mind*, observes, "Multitasking has been found to increase the production of the stress hormone cortisol as well as the fight-or-flight hormone adrenaline, which can overstimulate your brain and cause mental fog or scrambled thinking. Multitasking creates a dopamine-addiction feedback loop, effectively rewarding the brain for losing focus and for constantly searching for external stimulation."⁶

As the number of workplace distractions has increased exponentially, our ability to concentrate has suffered. Today's open plan offices, for instance, improve communication. But the greater number of distractions this causes also requires more of our working memory. Your employees' ability to maintain sustained attention is critical to making clearly reasoned decisions. Discouraging attempts at multi-tasking, encouraging concentration, and removing inherent distractions from the workplace, results in better problem solving.

**"I don't have time to think,
I'm just too busy."**

Finally, we need to consider an individual's state of mind during decision making. A state of mind is one's clarity of thinking in the moment. [Mara Gleason](#), a researcher on this phenomenon compares it to a glass of water with sand in the bottom. The water is clear until it is stirred. The same thing is true of thinking. Then it can become cloudy and gray. The second you begin to get into your own head, your performance will begin to suffer. Simply put, state of



mind is a balance between how open and receptive your thinking is and how closed and cluttered it is. It's a ratio of clarity to distraction.

Psychologist and researcher, [George Pransky](#), maintains that most of us believe we are living in an outside-in world. In other words, we don't have control of our state of mind because of the environment around us. Effective decision makers believe just the opposite. They function with an inside-out worldview. In other words, they are careful to maintain perspective. To do so, they maintain awareness of their state of mind in all situations. This allows them to step away from irrelevant emotions that may color their thinking about the immediate situation or decision. Does this always work? No. But they've developed the habits of mind to mitigate the frustration, anxious thoughts and worries more often than not.

We tend to see the world through a state of mind which fluctuates depending on our emotions and what's in our thinking at the time. Therefore our thinking has an impact on the balance between our confidence and insecurity. If we think too much, our mind is more likely to create distortions in the form of worry and negative scenarios because of how the brain's emotional systems work.

Ironically, we sometimes make up reasons as to why we're confident rather than just accepting that we are capable. This practice stops us from being unconditionally confident and becomes ingrained as we mature. Think of little kids, for instance. They believe they can do anything until society teaches them that they cannot.

A mind with no clutter is at peace. That's when we make our best decisions. Effective decision makers feel the confidence to do the right thing in the face of discomfort. People with a high level of awareness handle life gracefully because they are aware that their ever-changing experiences are an essential element of the human condition. People with a low level of awareness think of themselves as victims of forces and circumstances beyond their control. When people see the logic of these principles, they realize they can use these strategies to their advantage.

In a long-term global research initiative, the Institute for Transformational Leadership surveyed 740 leaders on 18 states of mind. Ninety-four percent reported that calm, happy and energized states of mind drive the greatest levels of effectiveness and performance. At the same time, most of those surveyed said that while frustration, stress, anxiousness and fatigue often yield benefits in the short term, they are detrimental in the long term – especially to relationships.⁷

So how do effective decision makers shift from lower to higher states of mind? Here are a few of the strategies they employ:

- Acknowledge the emotions to reduce their intensity.
- Place attention on different stimuli.
- Journal to discover clarity.
- Breathe deeply to reduce stress.
- Take mental breaks.
- Adjust the environment and reduce surrounding noise to generate calm.
- Get rid of clutter.
- Get out into nature.
- Consume a well-balanced diet.
- Maintain an exercise regimen.
- Get adequate sleep.



Many of these strategies will appear obvious. Ask, however, how well you've developed and maintain these habits of mind and what steps you can take to encourage these in those within the firm.

The Impact on Productivity and Profitability

As much as corporate leadership is responsible for setting the direction of an organization's strategy, it is those executing this strategy every day who are responsible for its productivity and profitability. While investors and others may focus on sales and market penetration, the daily decisions made throughout the firm determine the bottom line.

Can we measure an improvement in workplace decisions? No and yes. No one can empirically measure the quality of individual decisions. But the overall quality of an aggregate of decisions, made in a particular function, can be determined, provided the right data is collected and correct measures are used. In a recent article entitled *Noise: How to Overcome the High, Hidden Cost of Inconsistent Decision Making*,⁸ for instance, Daniel Kahnemann and others demonstrated this principle through a study they conducted of insurance underwriters where regular discussion of past decisions resulted in more consistency of real-life outcomes. This type of research can be conducted in any work environment by studying the outcomes of a series of decisions made for a certain purpose over a specified period of time.

Outside of empirical measurement, however, we must examine the factors that detract from desired outcomes. After all, a firm can have best practices in place, but these can be undermined by factors in the environment that thwart employee efforts to make the best decisions. Although there are many of these elements, here are three that top the list:

Digital Distractions

The advent of digital technology has always been a mixed blessing. On one hand, it has opened up incredible access to information, eased many mind-numbing tasks, and enabled instant communication locally and globally. On the other hand, it has been used to promote a false sense of convenience, promises of instant outcomes, and an end to discomfort, as we know it.

All of this takes place within a protocol of endless menus, pop-ups, video clips, and manipulations that even those embracing this technology complain about. In a recent Harris/CareerBuilder poll of 5,160 workers across a variety of industries, 24% admitted they spend at least one hour per day on personal emails, texts, and phone calls.⁹ Time wasting on the job is nothing new. It can be successfully argued, however, that distractions due to digital technology have taken this to new extremes.

Some might argue that employees simply need more self-discipline in managing these distractions. But that is certainly easier said than done. In addition to the unavoidable barrage of these influences, there is ample evidence that the human brain has adapted to the “menu-driven thinking” upon which this technology is based. This has resulted in an emotional desire for these fast-paced distractions, especially among the world’s so-called digital natives. For many, this need for a “dopamine fix of tech” is as powerful as the desire for cigarettes, alcohol and other addictive substances.

We must fail in order to learn.

With digital natives, this exposure can have a significant impact on reasoning as well. Researchers at Tohoku University in Japan found that children who play video games do not use frontal lobe circuits but rather a limited brain region that controls vision and movement.¹⁰ In other words, they are not



problem solving, but reacting to stimuli on a screen in isolation. As a result, the opportunity for learning through trial-and-error thinking is diminished.

Impatience for outcomes

Today’s demand for immediate results is doing incalculable harm to the quality of workplace decisions. Customers have been spoiled by promises of one-click shopping, instant service, and overnight delivery. While this may be achievable in a few segments of the economy, these expectations have spread to organizations incapable of producing these kinds of results without impacting the quality of outcome. But in an effort to respond, leaders and managers put ever-more pressure on those making front-line decisions to perform at a level that is unachievable.

The upshot is that those solving daily problems become fatigued and, as a result, make any number of shortsighted, impulsive or even foolish decisions just to get the issues off their desks. Since decisions are made using a balance of emotional and logical thought, this fatigue begins to play a role in choices of which action to take. Beshears and Gino, writing in the *Harvard Business Review* put it this way: “We rely on our methodical thinking to tell us when our intuition is wrong . . . Engaging this methodical

thinking requires exerting considerable cognitive effort, which is a scarce resource; there is simply not enough of it to govern all the decisions we're called on to make. As the cognitive energy is depleted, problems of bias and inadequate motivation may arise.¹¹

If firms are to depend on their employees to make the best routine decisions, they need to reduce the pressure on these individuals to make endless decisions requiring instant outcomes. But simply telling them so is not enough. A better balance of discernment, consideration, reflection and learning within the culture needs to be present.

Formative problem solving experience

Those born prior to the digital revolution developed an internal confidence with critical thinking that was the result of trial and error. They learned skills in discernment and judgment out of necessity. When they got stuck, they were told to “figure it out.” The result was a sense of what I call *decision efficacy*. In other words, they possess both the essential skills and confidence to make decisions even when faced with considerable uncertainty. Those who become the best at this possess are what Harvard researchers Dorothy Leonard and Walter Swap call **deep smarts**. With the advent of digital technology, these individuals have learned to adapt to the assistance technological aids provide, yet remain comfortable relying on the critical thinking skills they developed early on.

Those coming of age during the past thirty years have learned to navigate many of life's daily decisions via a combination of digital offerings. But the ever-growing insistence by marketers that every task and thought should be integrated with the “cloud” has contributed to a sense of dependence. This phenomenon is not new. As early as 1995, employers were seeing signs of over-reliance on external cues for making decisions.

The best decision makers become comfortable with being uncomfortable.

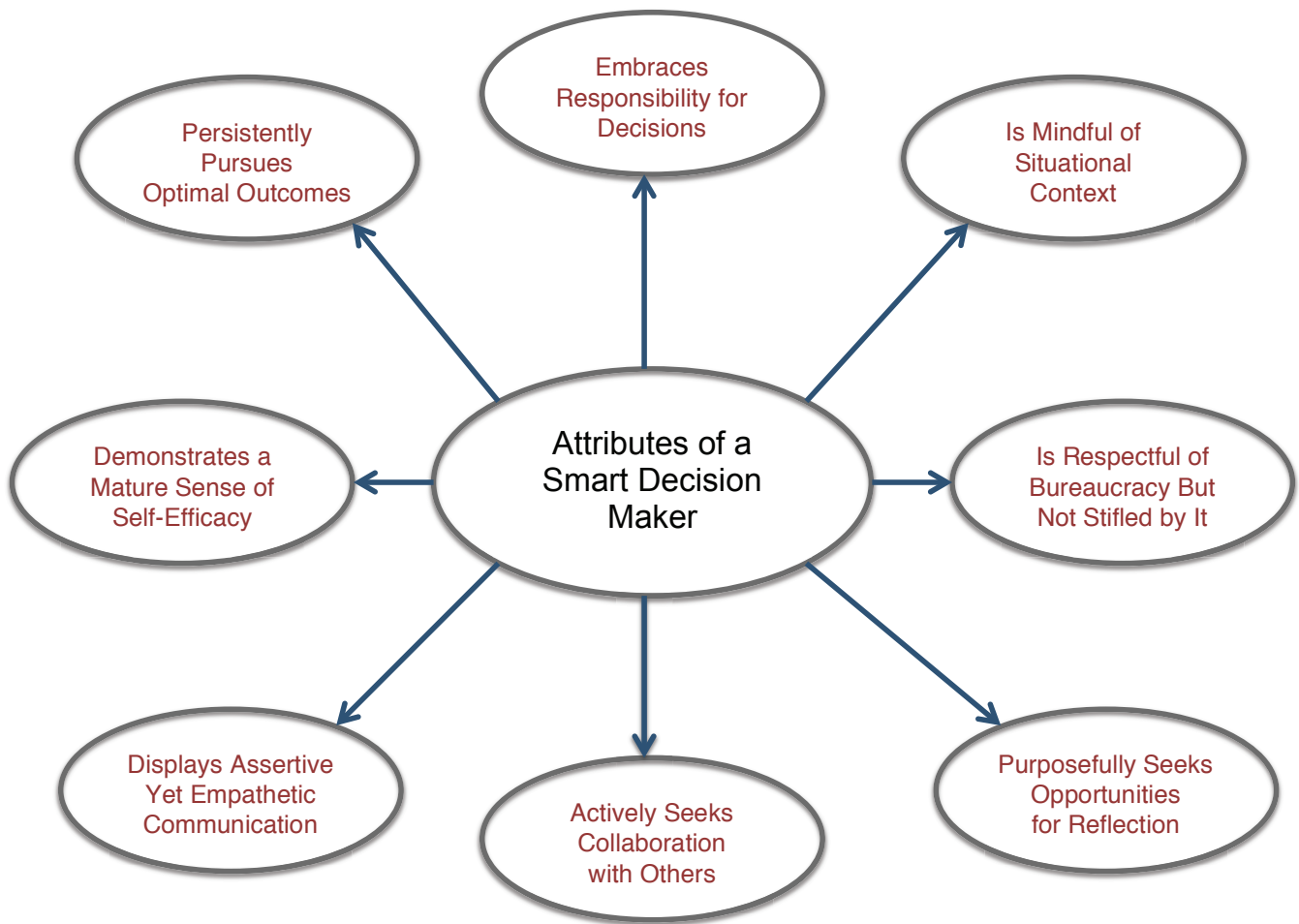
This phenomenon is not just the result of digital technology, however. Much can be attributed as well to over-protective parents and policymakers who worry about potential unfairness and humiliation that might damage the psyches these emerging adults.



As mentioned above, society's intolerance for discomfort is resulting in individuals who experience emotional trauma in dealing with ambiguity and the finality of life's daily decisions.

Trial and error has certainly been present in the lives of digital natives. But most lack the experience with learning through failure their generational predecessors endured. A crucial result of this has been the inability among many to manage the discomfort that comes with the mistakes and disappointments we all experience regularly. Sadly, high school and college counseling centers, for instance, are filled to overflowing with students unable to cope with the angst that most in previous generations managed with aplomb. According to *Psychology Today*, Millennials are reporting the highest levels of clinical depression, anxiety and stress of any previous generation at the same age.¹²

The result of this is that many of those arriving at your organization's front door lack the decision efficacy to navigate daily problem solving and decisions without closer scrutiny. Will they develop these essential problem solving, critical thinking and decision skills? Yes, but your firm will have to play a role in this development in order to improve the daily decision culture.



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Attributes of an Effective Decision Maker

Who are the best decision makers within your organization? What are their attributes? After working with hundreds of organizations over the past 30 years, not to mention interviewing and observing thousands of professionals, there are the eight attributes I've seen the best decision makers share.

They demonstrate a mature sense of self-efficacy.

Self-efficacy is the belief in one's own ability to complete tasks and reach goals, regardless of the situation. These individuals take thoughtful risks, manage the consequences, and move on to the next challenge. They can be found at all levels, from front-line customer service supervisors to senior leaders.

They persistently pursue optimal outcomes.

The best decision makers accept that not every decision will work out as planned. Over time, however, they have become students of error. In other words, they learn from mistakes to ensure better future outcomes. This persistence enables them to anticipate and deal with potential obstacles and miscalculations.

They are constantly mindful of situational context.

Those making the best decisions work to understand the forces influencing any choice. When considering options, they've learned to think three and four steps ahead to ensure the best overall outcome. They accept that not everyone will be happy with the most crucial decisions. But they remain focused on the greater good.

They actively seek collaboration with others.

The best decisions makers recognize the power in numbers. They know that the best ideas come from lively discussion and that those most affected by a decision will be the most invested in developing a reasonable course of action. They get past their pride and embrace suggestions even those coming from sources with which they are unfamiliar or might differ.

They listen to all voices but take responsibility for their decisions.

While they attempt to be consensus builders, these individuals embrace the mantle of making the decisions for which they are responsible. Although this may involve some discomfort or hard feelings, they have grown to accept the trust others place in them for being focused but reasonable.

They display assertive yet empathetic communication.

The best decision makers find an effective balance between stating their opinions and displaying the understanding and patience to build and maintain relationships. They also seek out disconfirming evidence when a group reaches consensus too quickly to ensure that the best decision will be made.

They are respectful of the bureaucracy, but not stifled by it.

Every organization's bureaucracy poses obstacles to those making decisions. The best decision makers find ways to work within the system, while occasionally challenging policies and practices that get in the way of reasonable actions. They have learned to balance diplomacy with the doggedness to get the mission accomplished.

Who are the best decision makers within your organization?



They purposefully seek opportunities for reflection.

Taking time to think through decisions and learn from outcomes is something these individuals treasure. In the midst of today's busy workplaces, they set aside opportunities to hide from the constant distractions, interruptions and demands. In the process, they are rewarded with ideas and insights that might not have occurred to them in the midst of chaos.

Every reader will have a nuanced view of these attributes, depending upon their experiences and observations. What do you think of these characteristics? Do you agree with them? Have I missed something idiosyncratic to your organization? Who do you know within your firm who demonstrates these attributes already? What can you do to leverage these individuals' talents and energies to improve the decisions around them?

Improving Decision Making Throughout the Firm

Making adjustments in culture is always a gradual process requiring perseverance. So how do you begin? Here are ten ways I recommend to clients for initiating the effort. How can you compel the leaders of your organization to embrace these strategies?

Model the attributes.

This is always easier said than done. It is, however, the most crucial practice to which you and your fellow leaders can commit. Many of your colleagues may display some or all of these behaviors already. That's great! What can you and your team do to compel everyone to embrace these attributes? Your firm's future productivity and profitability depend upon it.

Seek ways to illustrate the value of situational context.

The best way to illustrate context is to make it graphic. This might be holding up a stack of dollar bills and showing employees how a product goes from raw material to finished offering and how little profit is made on an individual sale. It might mean standing in front of a white board and asking those in the room to identify all the factors influencing a corporate decision. It might be working through a case study to illustrate how many other decisions were impacted by the decision being discussed. The more you illustrate context, the more those around you will look for it with regard to their own decisions.

Get others to embrace the balance of emotion and logic.

As mentioned above, the tug of war between emotions and logic play a critical role in everyday problem solving. Teach your employees these principles and strategies for balancing emotions and logic when making decisions. Help them understand that managing discomfort is a part of growing as an effective decision maker. Regardless of the role, the best decisions are the result of thoughtful risk.

**They listen to all voices
but take responsibility
for their decisions.**



Encourage an environment of thoughtful risk.

Many employees do not know that thoughtful risk is acceptable. They only hear the word "risk." Discussing how decisions evolve is crucial to getting your workforce to think creatively and develop the willingness to act with conviction. Remember, illustrating the thoughtful risks that failed is as important as discussing those with positive outcomes. Make this practice an ongoing effort and others will embrace it.

Encourage the emulation and discussion of effective decision making.

Employees learn best when they discuss issues and obstacles. Introduce on-going conversations about effective decision making during staff meetings, conferences and one-on-one exchanges. Bringing a pending decision to a meeting for discussion once per week, for instance, will encourage those involved with the issue to discover new approaches and validate their own strategies.

Compel those around you to think critically.

It is one thing to talk about thinking critically. It is another to think critically. Today's skills gap ensures that you will employ some of those lacking essential problem solving acumen. Your challenge will be in getting these individuals to act independently over time. Your managers need to stop enabling those forming the "parade" in their offices, and get them to think on their own. Will this take time? Sure, but it's worth the long-term investment.

Celebrate effective decision making.

Ask managers in all parts of the firm to identify examples of effective decision making and problem solving. Then find unique ways to celebrate these actions. These should range from front-line customer interactions and mid-level efforts to major actions taken by senior leaders. Everyone should know that their problem solving and decision making could be recognized if they put their heart and focus into the work.

Make problem solving skills a focus of employee selection.

Most firms still spend too much time evaluating resumes and what's said during interviews. Put every candidate to the test. Compel them to demonstrate their problem solving and critical thinking. Regardless of the position, these skills outweigh credentials, experience, references and the rest.

Encourage autonomy.

More and more firms have discovered that allowing workers to accomplish work in a way that is of their own choosing boosts morale and results in better outcomes. Even something as simple as control over personal workspace can be significant. As reported in the *Harvard Business Review*, "In a six-month study of call center employees, those with adjustable desks, which allow them to stand or sit as they wish, were about 46% more productive (as measured by completed calls per hour) than those with traditional desks."¹³

Allowing workers to accomplish work their own way boosts improves decision making.



Encourage time for reflection.

With today's increased volume of tasks, lean staffing and expectations of instant results, it is tough to convince employees to take time to reflect. Though they might see the value, the choice between completing the daily to-do list and going home or staying longer so they can reflect is a no-brainer. The solution has to involve a shift from assigning tasks to setting expectations. When this transition takes place, the value of taking time for reflection becomes apparent.

Decision Making and Tomorrow's Profits

A senior executive once told me that, in his view, companies are nothing more than a collection of daily decisions. This, in my mind, captures the essence of today's challenge. As much as some argue that most daily business decisions will be replaced by technology, reality indicates otherwise. Non-routine cognitive workers will continue to play a crucial role in workplace productivity and profitability. It is their judgment upon which every successful firm depends.

The skills gap will continue to dog every organization that seeks to hire and promote professionals who will make the astute, consistent, broad-minded decisions that result in profitable outcomes. It is incumbent on every firm to focus significant energy on addressing decision improvement through better selection, training, and coaching using the strategies identified above. Your business' long-term success hangs in the balance.

Suggested Reading

Deep smarts: how to cultivate and transfer enduring business wisdom

Dorothy Leonard-Barton-Walter Swap - Harvard Business School Press - 2005

iBrain: surviving the technological alteration of the modern mind

Gary Small and Gigi Vorgan - Collins Living - 2008

The overflowing brain: information overload and the limits of working memory

Torkel Klingberg - Oxford University Press – 2009

The world is flat: a brief history of the twenty-first century

Thomas Friedman - Farrar, Straus and Giroux – 2005

Thinking, fast and slow

Daniel Kahneman - Farrar, Straus and Giroux – 2011

Your survival instinct is killing you: retrain your brain to conquer fear, make better decisions, and thrive in the 21st century

Marc Schoen-Kristin Loberg - Hudson Street Press – 2013

The organized mind: thinking straight in the age of information overload

Daniel J. Levitin – Dutton – 2014

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2 Siu, H., & Nir, J. (2015, April 8). Jobless recoveries. Retrieved from <http://www.thirdway.org/report/jobless-recoveries>

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11 Beshears, J., Gino, F. (May, 2015) Leaders as Decision Architects, Harvard Business Review, 51-62

12 Gray, P. (2015, November 25). Causes of Students' Emotional Fragility: Five Perspectives. Retrieved from <https://www.psychologytoday.com/blog/freedom-learn/201511/causes-students-emotional-fragility-five-perspectives>

13 Garrett, G., et. al. (2016, September) Call Center Productivity Over 6 Months Following a Standing Desk Intervention, Harvard Business Review, 105.



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