



DECISION MAKING

LESSON TOPICS

1. Importance of decisiveness

Sometimes making no decision is worse than making the wrong decision. This can be referred to as analysis paralysis. You can be in the process of making a decision but instead get bogged down in the analysis and end up not making any decision.

2. Simple Situations

In this type of decision making there are clear right answers that exist. Leaders will need to provide direct communication, information, and tools that other people will need to complete this process. Leaders can also delegate and, if possible, automate due to the routineness of this type of decision.

Potential problems with simple situations could be when circumstances shift or change, the routine may not be appropriate anymore. With simple solutions there is also a chance that there is not just one right answer and the problem may be more complex. Complacency can also be an issue when things are routine and can make it harder to be adaptable.

3. Complicated Situations

Complicated situations are where there may be more than one right answer. In this case leaders will need to seek help from experts, seek conflicting opinions, and comparing options.

The biggest potential problem with complicated situations can be the experts themselves and the possibility that they are overconfident in their knowledge of the subject. To mitigate this issue, we can seek outside opinions and question our experts.

4. Complex Situations

Complex situations, which are the most common situation for businesses, is where there may be no right answer. The complexity stems from the ever changing social, legal, and competitive environments. Leaders will need to create an environment of brainstorming, creativity, and experimentation to see what possibilities could work. This process of trial and error works through interaction, communication, and psychological safety. Psychological safety is where people feel like they have the freedom to speak up, voice dissent, and try new things.

Complexity is uncomfortable and can pose potential problems by reverting people back into a command and control leadership. This would be where we create rules that can not change.

5. Chaotic Situations

Chaotic situations are characterized by turbulence, time, pressure, and tension. The leader's role in this situation is to attempt to establish some sort of order to provide stability and security. The right answer in this situation is almost never known or might not even exist. Due to this leaders need to make decisions decisively and immediately which will build trust going forward in the crisis.

If there is a leader that steps up and makes decisions confidently, we can become overdependent on that leader which can pose as a potential problem. The other problem that may occur is missing out on opportunities for innovation.