

TACKLING tough decisions



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ARE YOU AN INTUITIVE DECISION-MAKER OR AN ANALYTICAL ONE? DO YOU FOLLOW YOUR GUT OR THE DATA? DO YOU TRY TO PLEASE EVERYONE OR JUST YOUR BOTTOM LINE? HOW YOU CONFRONT CHALLENGING DECISIONS IS A VITAL BUSINESS SKILL WORTH PERFECTING.

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3 WAYS TO TACKLE TOUGH DECISIONS

- 1 Equip yourself with the facts – be prepared with all the information as conflict often escalates when there are fuzzy boundaries and misunderstandings.
- 2 Understand your motives – make sure this is a business decision, not a personal one, and consider what you are trying to achieve.
- 3 Look forward, not back – tough calls and conflict are inevitable in business; don't second-guess yourself but do learn from the consequences of your decisions so you can make better choices next time.

The youngest ever president of the United States, Theodore Roosevelt, once said: “In any moment of decision, the best thing is to do the right thing, the next best thing is to do the wrong thing and the worst thing to do is nothing.”

Unfortunately, just like death and taxes, there is nothing more certain for a business leader than having to make tough decisions. But how you go about making those tricky decisions, and how you deliver negative news to your team, can make all the difference to the future of your business.

DO YOU HAVE A PEOPLE PROBLEM?

According to a 10-year longitudinal study of more than 2,700 leaders released last year from Navalent, 57 per cent of newly appointed executives said that decisions were more complicated and difficult than they expected. Inevitably, tough decisions are made all the more challenging when staff and co-workers are involved.

“C-suite executives generally find people-related issues the most troublesome,” says Stuart Taylor, Founder and CEO

of Springfox, a provider of resilience programs for individuals and companies. “Leaders are often well trained in business performance and strategy, but the psychology of leadership is more difficult, especially when a member of your team doesn't align with the core values of your organisation.”

Not wanting to upset someone does not make you a bad leader, just as providing critical feedback does not make you a monster but, according to Taylor, sympathy should not be confused with compassion.

“A sympathetic leadership approach tries to keep everyone happy and not upset the apple cart, but a CEO with a compassionate approach makes decisions that are right for the business. If you focus only on business outcomes you create a fear-based environment that doesn't work for anyone. But when you focus on compassion plus business outcomes you will create a trust-based environment, which is better for everyone.”

There can be legal implications too when you avoid dealing with someone's negative behaviour, especially if they are part of the leadership team.

“CEOs can often be afraid of losing a top performer if they point out their behavioural problems, but you expose the business to legal and reputational risk,” explains Hannah Ellis, Co-Founder and Principal at employment law firm The Workplace. “Not making a difficult decision can imply an acceptance of unlawful behaviour and can put your business in jeopardy.”

IS YOUR 'GUT' RELIABLE?

Your 'gut' or intuition can be a highly valuable resource in decision-making. It is likely that many of the reasons you have ascended to the top of the leadership ladder is because of calls you made based on instinct. But when the future of your business, and of people's livelihoods, is involved, is your gut instinct enough?

“I think there is something to be said for using intuition in decision-making,” notes Ellis. “But it's only one part of the process, you also need high emotional intelligence to ensure effective communication of the message, and when it comes to unpopular decisions, a thorough plan prepared well in advance.”

Ellis suggests taking a holistic approach to implementing large-scale change and that the development of a change management plan in conjunction with communications and legal professionals is crucial. How you message an unpopular decision is vital to business continuity – offshoring or mass redundancies is definitely not something to announce from your 'gut'.

ARE YOU SELF-AWARE?

Research from Chuck Martin, author of *Tough Management*, shows two-thirds of managers believe they are dealing with tough calls quickly and acquiring input from subordinates. But, when employees were asked about their boss's decision-making performance, only a third supported their leader's self-evaluation. The gap between how you think you make decisions and how those decisions are received can be vast.

“Being self-aware of your decision-making style and adjusting it to the situation at hand is important to achieve your business priorities,” explains Olga Pang Stein, Global Executive Coach for WorldWide Connect.

Delivering negative feedback or news can be even more difficult in a cross-cultural setting. “Americans take the 'sandwich' approach to feedback – compliment, criticism and then compliment,” says Pang Stein. “But when an American CEO or executive uses this approach with Chinese employees all they will hear is the positive feedback – the Chinese are used to getting very direct instructions on how to fix a performance issue. You need to adjust your decision-making style for the culture you are in.”

Making tough decisions is a skill that can be honed over time and like every important skill it takes lots of practise to get right. Luckily, when you're sitting at the top of an organisation, tough decisions are never in short supply. ■