

# **LeaderPerfect Newsletter**

**October 1, 2005**

## **The Failed Quest For The Perfect Decision**

**by Dr. Mike Armour**

Just moments ago I got a call from the president of an international organization, one of my clients. He faces a tough, high-dollar decision, with only a few days in which to make it. Factors surrounding the decision are fraught with ambiguities. No matter what he decides, there will be plenty of room for second-guessing.

Unfortunately, ambiguity seems to be clouding pivotal decisions more and more often these days. As I work with top-tier executives, they frequently mention the challenge of making confident decisions in the face of ambiguity.

Gone are the days (if indeed they ever existed) when we had the luxury of analyzing every critical choice as thoroughly as we would like. Two factors have brought this about. First, the pace of the market place has sorely condensed the time frame for decision-making. Often we simply do not have time to collect all the data that could potentially be factored into the decision. We have to decide with only a portion of all the possible data.

Second, the complexity of today's business environment means that fewer and fewer variables are under our control. It's impossible to foresee every eventuality that will shape the final outcome of what we decide to do. These unknowns remain, even after we've analyzed all the data available to us.

### **The 70% Rule**

Faced with those realities, how should we respond? For starters, we need to forsake any ambition of making perfect decisions. In a world of pronounced ambiguity, the "perfect decision" is a mythical beast. Our goal instead should be a pattern of consistently good decisions, made and implemented in a timely fashion.

The Marine Corps has recognized that one of the most crucial elements of success on the battlefield is maintaining what they call "decision tempo." They cannot afford to sacrifice momentum while leadership arrives at a perfect decision.

Thus they teach battlefield commanders to use the following rule of thumb: if you've collected 70% of the possible data and have done 70% of the possible analysis and are 70% certain of the action to take, then go for it.

This principle recognizes that a well-informed decision, carefully considered and implemented, is generally workable. Moreover, it's preferable to a "perfect" decision postponed so long that momentum and advantage are lost.

Does every decision made using this formula turn out to be the best one? No, not at all. But most of the decisions will be good enough to ensure success. And where they are flawed, mid-course corrections can serve to improve them.

### Focus on Process

In addition of foregoing the dream of "the perfect decision," we must also abandon the tendency to judge ourselves based on how well our decisions worked out. When decisions lead to unwanted results, it's easy to blame ourselves for making a "wrong" decision.

But as we noted above, many variables outside our control can impact the success of our decisions. We can't hold ourselves accountable for managing variables beyond our purview.

Instead, the place to hold ourselves accountable is in the decision-making process itself. There we have complete control. Thus, in evaluating a decision that results in less than stellar outcomes, we ask questions like this: What was our decision-making process? Was it well-thought out? Was it designed properly? Did we follow it carefully?

If the answer to these questions is "yes," then there's no point in faulting ourselves for making "the wrong decision." We did what is expected of leadership, namely to make decisions as wisely as possible. On the other hand, if we can't give ourselves high marks on process, we've just identified a vital area to work on.

### Implementation

One footnote, however. As leaders we don't get off the hook completely just because we had a good decision-making process and followed it completely. It's one thing to make a decision properly, quite another to implement it properly.

So next we must ask ourselves, "Did we communicate the decision clearly? Did we execute it properly? Did we pay timely attention to feedback that pointed to a need for substantive adjustments?" Again, these are factors over which we do have control. If we did a good job of implementation, again we quit blaming ourselves for a "wrong" decision. But if our assessment indicates a flawed implementation, then we must hold ourselves accountable and do something to fix the process.

I don't know what the president who called me earlier today will decide. Nor do I know whether his decision will turn out "right" or "wrong." But what he can control, and what I can help him control, is the integrity of the decision-making process. If he defines and maintains that process faithfully, then follows an equally valid implementation process, he can hold his head high, even if the decision turns out "wrong."

© 2005, MCA Professional Services Group, LLC

*This article may be posted to a web site so long as all copyright notices are preserved, along with an associated link to [www.leaderperfect.com](http://www.leaderperfect.com). You are also free to circulate this document in hard-copy form so long as the copyright statement and this notice remain attached.*