

DECISION MAKING PRINCIPLES AMIDST FAST-PACED CHANGE AND ONGOING UNCERTAINTY

The COVID-19 crisis has put leadership decision making under a spotlight. Decisions need to be made at pace in a context of continuous and unprecedented change, with a high level of scrutiny. Across the world, governments, economists, medical professionals, and organizations are informing and debating critical decisions that have significant consequences. Our society is so interconnected, these decisions often involve tradeoffs, and these compromises and consequences are visible to the world.

Most leaders and organizations are now moving on from the triage mode of managing basic safety and solving immediate problems to making decisions that will shape the future of their organizations and the shape of society. The enduring uncertainty of the future, means that a new approach to decision making is required. Here are some key questions that leaders can ask themselves to inform decision making, and move from addressing immediate problems to shaping future outcomes.

WHAT WILL BE VALUED IN THE FUTURE?

As leaders navigate the disruptions of their current reality, they need to frame their decisions today in the context of an unknown future. They need to create space to reimagine a vastly different world, in which societal trends and preferences will change. Organizations whose leaders take the time to envisage a post-COVID future will have an edge. No one has clarity, so when thinking through what the world is going to value coming out of this, it is important to think from an 'outside in' lens. Taking time to understand the value your business needs to deliver to various stakeholders – customers, employees, owners, vendors, partners, the community that you are part of in a disrupted world will help you to anticipate changes. Considering these various expectations can help you to spot new opportunities to thrive that are sustainable and enlivening. If anticipating their changing needs feels opaque, you can bring these multiple voices into your organization. A client in the AI sector regularly brings their customers into brainstorm future product ideas. They realize the value of partnering in creating a future within an industry where there are few precedents. The current uncertainty around the future is an opportunity for a variety of industries to adopt such strategies. Having 'conversations of curiosity' with various stakeholder groups, bringing listening without providing an immediate solution, will help create a picture of the future landscape.

WHAT DO WE WANT TO RETAIN FROM THIS PERIOD OF TRANSITION?

The obvious choices are around the use of technology and virtual working. Contactless delivery and virtual workouts are here to stay. There have been some great examples of repurposing existing facilities e.g. alcohol and personal care plants switching to manufacture hand sanitizer, or the fashion industry producing PPE. They are the lessons around leadership, agility and decision making from this period that your organization can hold on to. A leader narrated his team's story of being able to solve a customer's supply chain problem within 10 days through this crisis – a similar problem had taken the organization a year to solve previously. The crisis provided a new sense of purpose and meaning for the team. They see themselves as a different team today and cannot go back to being the team that took

a year. Their story about themselves has changed. In the chaos of managing a crisis, it is important to pause and consider what have you discovered about yourself and your organization through these last couple of months. Establishing new beliefs and assumptions around what is possible, will give you a new platform to view the future. Is there innovation trapped in your system that could respond to a current or future need?

WHAT WOULD WE LIKE TO INTENTIONALLY CHANGE?

The collapse of global supply chains has brought to the forefront another tradeoff that businesses have made – that between cost and control. Choices around efficiency, productivity and certainty are likely to take different forms in the future. The current crisis offers an opportunity to examine current values, ways of working, business models that may have been harder to change pre-COVID. Many organizations have found changes around technology fast tracked out of necessity. Taking some of the ideas that have been placed in a parking lot, or didn't get traction because of a resistance to change, and re-visiting them in the current context may bring a new sense of possibility to make these changes easier. In saying that, changes need to be intentional rather than solely reactive, to meet needs of today and the future.

At a personal level too, getting back to the fundamentals is valuable. Asking yourself, what do you want to stand for and who do you want to be can help shape decisions. At such times 'who I am' and 'who I want to be' can differ, often painfully. We live this contradiction when we stock up on food, even though we know that shortages occur if all of us hoard. Teams too, get tested on their values. A leadership team that valued perfection and calm in a crisis reflected on the need to create a space to be 'imperfect' and role model that as a value for the broader organization. It is also a time for leaders to test how their personal values align with the organizational values. We see that when leaders of food companies step into their own kitchens to serve the needy. And sometimes there are dissonances in organizational values that need to be resolved. That could be the pivoting moment for an organization. Focusing on the future in a sustainable manner requires an honest evaluation of one's values – individual, team as well as organizational.



Finally, it is useful to remember in enduring uncertainty that there are no right decisions. There are good decisions though. And there are decisions that leaders own. Often making a decision is the right thing, the alternative is to get caught up in analysis with no movement. The challenge in a crisis like this is of course that the impact of decisions can be so significant. Yes, data is critical when making significant decisions, but it has its limitations. COVID has shown us that the best models come with their own set of assumptions and limitations, so understanding these is as important as understanding the data. Being open to prototype, iterate, abandon and change course early based on insight can also help shape better decision making over time. The balance between preserving the business financially and protecting jobs is a real dilemma for many businesses today. As a leader, acknowledging that you may not always get it right, but you made the best decision you could, is sometimes the best we can do.

LEARN MORE

Email info@ysc.com to find out how we can partner with you to redefine leadership strategy.

YSC.COM