



## What does 'good' decision-making look like?

The book *Deciding* explains that the unique purpose of every organisation can only be advanced by making and implementing decisions.

Whether each decision *actually* supports and advances (rather than detracts from) that purpose is dependent on the quality of that decision.

*Deciding* also explains that irrespective of the success of a decision, every decision is made using the same method. (In plain language, it describes and explains the elements of this simple yet universal method.)

It follows, therefore, that three considerations will determine the success of decision making in organisations -

1. The self-awareness of its Deciders of the method being used,
2. Their understanding of the elements of the method, and
3. The skill of its Deciders with respect to each of those elements.

This is also true of personal decisions.

In organisations, the expectations and norms of the organisation will invariably influence the success and quality of decisions.

Organisations of any type can, therefore, expect to benefit from becoming aware in an objective way of the likely success of present practice with respect to what its Deciders know about decision-making and what, currently, they do.

Such an assessment will not guarantee the effectiveness of any particular decision but can be a useful indicator of both the state of decision-making in general and provide a focus for efforts to improve.

Each decision, of course, is unique and therefore can only be evaluated on either the actual outcomes (which, depending on the skill of the Decider, might or might not be beneficial) or by forensically evaluating each element of the universal method as applied in making that decision. Such an analysis can be used either proactively, to validate (or enhance) decisions before implementation, or retrospectively to determine the reason for decisions resulting in unintended or undesired outcomes.

**Part A** below is a general diagnostic tool using Y/N questions. It is **not** intended as, and should not be used as, a scoring system but merely to highlight any aspects of decision-making (i.e. aspects with a 'No' answer) that will require further analysis and remedial action in order to improve decision-making.

**Part B** explains how individual decisions can be reviewed.



## Part A: Diagnostic tool to test the general approach to decision-making within an organisation

Question		Yes	No
1	Are all Deciders aware of the universal method they are using when making all their decisions?		
2	Does everyone in the organisation who is required to make decisions have an identical and accurate understanding of the organisation's ultimate purpose?		
3	Is there a shared understanding of the internal, external, and wider context in which the organisation is operating at any particular time?		
4	Is there a common understanding amongst Deciders of:		
4.1	The concept of seeking 'sufficient certainty' in relation to decision outcomes?		
4.2	The importance of conversations in successful decision-making?		
4.3	The importance of being aware of the nature and significance of the assumptions on which each decision is based?		
4.4	The existence and function of primary and secondary components* of decisions?		
4.5	The potential for change to occur after the decision is made, i.e., during implementation and beyond?		
4.6	Common ways in which changes that could affect the success of a decision can occur?		
4.7	General methods for detecting change?		
5	Are all decision-makers (from the board** down) specifically trained in decision-making?		
6	Is decision-making performance monitored and reinforced?		

\* Primary components being those intended to exploit an opportunity to pursue the organisation's purpose, and secondary components being those intended to



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make it more likely that the actual outcomes of the primary component will be those intended.

\*\*Or for organisations that don't have a board of directors, the supervising entity.

For each "NO" answer, use *Deciding* to develop a remedial action plan including identification of those to who will need to be involved.

## Part B: Diagnostic tool for review of individual decisions

1. Identify the exact decision (primary and secondary elements).
2. Identify all involved in making the decision and their roles.
3. Complete the template in Appendix D of *Deciding* based on what the relevant Decider(s) did, knew or assumed.
4. Analyse each element against the guidance in *Deciding*.
5. Report on the above, identifying both specific shortcomings and opportunities for improvement.