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The Decision Process

The Challenge

Most of us never really think about *how* we make a decision. If we were challenged we might mutter something about looking at “pros” and “cons” and perhaps “thinking about it for a while”. Maybe add something about not rushing “an important decision”. It sounds logical. And yet many of us know that some of the biggest decisions in our lives such as finally buying a flat, deciding who we might spend the rest of our life with or to become a police officer was a “gut” decision. *And is that so bad?*

Let’s understand the decision-making process. Then we can get better at it!

The Detail

Making a decision will generally go through these five stages:

1. **The data/evidence stage.** *This is the stage that kicks off the decision-making process. It might be proactive or reactive. You need facts, you need*

evidence if you are going to make a decision. How can you choose your next job if you do not know what is important to you and/or you know nothing about the organization? If either of those areas is weak you are likely to make a bad decision. How can you be improving the diet of your children if you know nothing about nutrition and/or little about the content/background of the food you are buying? Some data is proactive, i.e., you go out and get it: data on the best creative writing course or nicest Scottish island for your holiday. This is especially true in business, of course: what data do you have on your competitor's product margins? Some data is reactive and the slow accumulation of that data prompts a decision. No longer can you get into your favourite jeans, your 6-year-old daughter is increasingly disliking school, your franchisees are defecting to a competitor: you need to make some decisions.

- 2. The analysis stage.** Good. Now you have some facts. Your competitor's margins are not as high as you thought. The Isle of Mull seems to be well liked by those with young children, probably overall Spanish is most appreciated by international employers seeking a second language. Once you have your facts you can then begin to do some analysis in preparation for your decision. Which raises the issue of *decision criteria*. You want a new carpet for your main living room. You can get all the facts you like on prices, quality and colours. But you cannot proceed unless you have some criteria which might be: (1) it must be very hard wearing

(2) it must be a dark colour as you have toddlers spilling things all the time (3) it must be from a fair trade supplier. OK, now you are starting to get to serious decision time. You have criteria. And you have facts. Let's see how they match.

3. **The incubation stage.** Most decisions are better quality if they have a period of reflection or incubation. Of course some decisions can be made now and thousands of every day decisions and the occasional emergency decision do *need* to be made now. But the power of the brain when allowed to digest the meeting of criteria and data can throw up some interesting possibilities. *Let's forget the carpet and have a wooden floor.* For large decisions and certainly most business decisions it is critical to allow reflection time.
4. **The creativity stage.** Certainly if you wish to be creative with your thinking, then incubation is crucial. There is no doubt we can all be creative under pressure. And a speed approach to a decision can actually expose enlightening ideas. But overall, creativity is more likely to be guaranteed through this process. And through creativity, a better decision. But apart from allowing time, how do you *encourage* creativity?
5. **The action stage.** There is no more. You have the facts, you have the criteria, you did your reflection. And you were creative. Now you must realize a decision is not a decision until you take an action. How easy it is to say "I will get fit". Very. Some might

say you have made a decision, others might argue not until you do something. We will argue the latter!

The Story

Kozue had a lot of challenges in her life at the moment. Born in Tokyo but currently living in London with her English boyfriend, at age 27 she felt she needed to sort out her career (working as a graphic designer doing really boring end-of-the-food-chain logos and stuff), needed to sort out her love life (she and her boyfriend were not getting on well) and she really, really wanted to get her furniture business (now that she was passionate about) off the ground. And crikey, she needed to stress a lot less.

But at the moment she either couldn't make a decision or seemed only to make an appalling one.

She was keen to learn more.

The Q&A

So is there a perfect “formula” to better decision making?

Perhaps formula is too strong a word. Perhaps strategy or even methodology is a better word. Follow these steps and you are likely to have a better decision.

You did allude to it – the gut-based decision – but then seemed to forget about it and concentrate on the logical side. I don't think I have made a "logical" decision in my life. But I am really happy with pretty well all the choices I have made.

We're with you. We all know decisions involve the emotional side as well as the logical side. The strategy outlined above attempts to use the best of both. Logic and emotion. Left brain and right brain. Read on: you'll see!

The Solution

There are five stages to a great decision:

- 1.** Data. You need facts. They may come proactively or reactively.
- 2.** Analysis. You need criteria so that you can "filter" the facts.
- 3.** Incubation. A bit of reflection normally ensures a better decision.
- 4.** Creativity. This is needed to generate alternate, perhaps more powerful, solutions.
- 5.** Action. A decision is not a decision without an action.