Practical Leadership – 15.974

Class Six – Decision Making

• Decision-making models
• Decision-making styles
• Recommendations for changes to this course
• Decision-making Role Play
• Brief summary of results of Action Plans

Read:

Due Today:
• Final version of Leadership Packet:
  • Leadership Definition
  • Self-Assessment
  • Action Plan and Result
  • Journal
  • Next Steps

AGENDA

Welcome

Decision-making lecture
• 4 models
• good decision making
• hidden traps
• reading – 5 styles

Role Play

Hand in Final Assignment

Closing comments
Decision-Making Models

- The HOW -- autocracy, informed autocracy, democracy, unanimous vote

Good Decision Making (David Garvin, Michael Roberto  HBR 9/2001)

- Inquiry vs Advocacy
  - Open debate of alternatives, seeking alternatives VS competing positions
  - Good decision making
    - Clear goals
    - Multiple alternatives
    - Test assumptions
    - Healthy dissent/debate
      - Cognitive debate on ideas
      - Minimize emotional personal attacks or getting defensive
    - Perceived fairness at closure
      - Make sure those whose ideas are not chosen feel they have been given full consideration.
      - Make closure – not too early (insufficient alternatives) – not too late (analysis paralysis)

Hidden Traps (John Hammond, Ralph Keeney, Howard Raiffa – HBR 9/98)

- Anchoring (being swayed by “facts”) – Population of Turkey – 100 million? 35 million?
- Status Quo (stay with what you have)
- Sunk Cost (hard to sell losers)
- Confirming Evidence (therefore don’t look for other evidence)


<table>
<thead>
<tr>
<th>Charismatic</th>
<th>Thinker</th>
<th>Skeptic</th>
<th>Follower</th>
<th>Controller</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enthusiastic.</td>
<td>Wants all info</td>
<td>Requires credibility</td>
<td>Will only agree to what has worked before</td>
<td>Supply info</td>
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<tr>
<td>Needs details</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Short attn span</td>
<td>Pros and cons</td>
<td>Will attack you</td>
<td>Likes innovation</td>
<td>Do NOT sell</td>
</tr>
<tr>
<td>OK w/ risk</td>
<td>Risk averse</td>
<td></td>
<td>Minimal risk</td>
<td>Avoid risk</td>
</tr>
<tr>
<td>Takes time to decide</td>
<td>Takes long time to decide</td>
<td>Can make quick decision</td>
<td>Can act quickly</td>
<td>Takes long time – must be own idea</td>
</tr>
</tbody>
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