



Peter Shaw

Making Difficult Decisions

How to be Decisive and Get
the Business Done



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**How to be decisive and get the
business done**

Peter Shaw CB



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Dedicated to our son Colin who is an inspiration as he
makes difficult decisions well

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My coaching clients have been a tremendous source of wisdom. I thoroughly enjoy working with them as they reflect on difficult decisions they have to take. Often we go on a journey of exploration together talking through the implications of different options. I hope that in some small way the conversations have helped my clients reach a point of clarity on their own next steps.

I am grateful to Nick Macpherson for contributing a foreword to the book. I always admired his clarity of thinking when we worked in the same areas and have observed with great pleasure the thoughtful leadership he brings as a Permanent Secretary.

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It has been good to work with colleagues as fellow members of Godalming College Governing Body and St. John's College Governing Body in Durham. Together we have had to take hard decisions and welcomed the mutual support and challenge from colleagues. Taking difficult

decisions together has been much more rewarding than doing it separately.

I have refined the ideas in the book in a number of seminars with diverse groups including high potential staff in the UK Health and Safety Executive, curates in the diocese of Derby, a senior learning set at the UK Food Standards Agency, senior leaders on the UK Cabinet Office Pathways programme and a Men's Breakfast at St. Paul's Church, Tervuren in Brussels.

I am grateful to my family who have encouraged me in the writing and allowed me the opportunity to retreat into the study with dictaphone in hand. I am no expert in decision-making. I acknowledge in particular the influence of those who have helped me crystallise my own thinking when I needed to make decisions. Colin, to whom this book is dedicated, has always been an astute decision maker. I admire his ability to make quick decisions when playing sport at international level. As parents we must have done something right!

Finally I believe that decision-making is about drawing from our intellectual, physical, emotional and spiritual awareness. At the heart of good decision-making is being open-minded and yet rooted in your own values at the same time. It is that combination of determination and reflection, of focus alongside flexibility, that helps ensure we make the best possible decisions.

Other books by Peter Shaw

Mirroring Jesus as Leader, Grove, 2004

Conversation Matters: how to engage effectively with one another, Continuum, 2005

The Four Vs of Leadership: vision, values, value-added, vitality, Capstone, 2006

Finding Your Future: the second time around, Darton, Longman and Todd, 2006

Business Coaching: achieving practical results through effective engagement, Capstone, 2007. (Co-authored with Robin Linnecar)

Forthcoming books

The Christian Leader in the Secular World of Work, Authentic, 2010.

The author's royalties are going to Tearfund, which provides practical help for those in poverty to enable

them to have a future and make their own decisions.

Foreword

I first met Peter Shaw more than twenty years ago. I had just joined the Treasury, and my job was to provide economic advice to the labour market policy team which Peter was then leading. The Treasury of those days attached a slightly lower priority to good management than it does now. And the building in Great George Street - consisting then of austere monkish cells - was less conducive to good communications than its modern open plan successor. To me, at that time, Peter shone out like a beacon. In a world of hard-nosed introverts, here was a man of rare compassion and humanity who could communicate and lead. To the civil service's credit, these skills were recognised, and all too rapidly he returned to his home department on promotion. Our paths have continued to cross over the years, more recently in his second career as a leadership coach, and it is a great privilege to be asked to write the Foreword to this book.

In any day, we all make hundreds of decisions. Most are easy. Some are difficult. It is the latter on which we tend to need help. Peter's insight is to take the mystique out of the decision-making process; the faddish jargon of the traditional self-help book is not for him. He encourages us to deconstruct the components of a good decision through the simple paradigm of the 4Cs - clarity, conviction, courage and communication - and then goes on to provide some essential building blocks to develop our capabilities further.

Peter's analysis resonates for me working in the Treasury, where a dominant theme is the allocation of scarce resources. The Treasury is a small institution, whose walls always seem to be about to be breached by the marauding

hoards of spending departments and their demands. (Of course, from a spending department perspective, life seems very different!) This places a high premium on achieving 'clarity': the key elements, set out by Peter in Chapter 2 are music to a Treasury official's ears: objectivity, defining the problem, being clear on the context, ensuring sound analysis, and so on.

But in my experience it is the less cerebral side to decision-making, the subject of Peter's later chapters, which is critical if decisions are really going to stand the test of time. This is about recognising the human factor. First, in relation to those affected. As David Normington is quoted as saying in Chapter 3: 'most of the decisions that are troublesome are all about people in the end'. Understanding how others will react by putting yourself in their shoes is a start. Investing in team building can also yield dividends. Using psychometrics has made the Treasury Management Board more effective: I have a better understanding of how my colleagues will react to decisions, ideas and events, and they have a better understanding of how I will react. That has been really useful in resolving difficult issues like the implementation of a challenging spending review settlement.

Secondly, it's about nurturing your own decision-making space. That's partly about time - sleeping on a decision can make all the difference (Chapter 13 on 'dealing with your hopes and fears' is relevant here). It is also literally about physical space - a walk round St James' Park or a trip to a café. It is about being able to step back and remain calm, when all the pressure is to immerse yourself in the adrenalin of the moment. Good support systems are critical, whether in a domestic or work environment.

I was struck by Peter's section on the 'importance of conversations with colleagues'. In any job, you develop

certain key relationships which provide real emotional and intellectual sustenance - I have a colleague with a very different personality type from me: I always find discussing any difficult decision with him reenergising, and he assures me that the relationship is reciprocal.

Peter's book covers all these issues and more. And I commend it to anybody who is facing difficult and demanding decisions.

Nicholas Macpherson, Permanent Secretary, H M Treasury

Introduction

'The die is cast' were the words of Julius Caesar when he crossed the Rubicon. This was only a small stream forming part of the boundary between Italy and Gaul but the crossing of it marked the beginning of the war with Pompey. A decision had been taken with consequences both known and unknown. Crossing the Rubicon was just going across a river, but it was also a decision from which there was no turning back.

'Decisions, decisions. Why so many decisions!' protested the 18-year-old when there were so many choices about which university, which course, whether to have a gap year, which friends to spend time with, which summer job to do and (unspoken) what to do about those parents! Taking decisions at age 18 is a shock to the system, but is just the start of a long process of making choices.

How good are we at making decisions? Sometimes the decisions flow naturally. The correct choice is so obvious. At other times we vacillate, procrastinate and hesitate. There is an exterior of confidence and a chasm of doubt inside. We project an appearance of weighing up of the options, while in our darker moments we wrestle with uncertainty and bemoan our lack of clarity.

Sometimes our way of handling difficult decisions is to hold on to a rigid view with a tight grip, letting our prejudices determine our actions. On other occasions we have no grip at all and enjoy floundering in our own indecision. Being a victim of indecision can be such a wonderful indulgence sometimes.

What makes the difference between times when the decision is relatively easy and others where we flounder? How can we school ourselves to take difficult decisions well and calmly without the intellectual or emotional wrestling or even agony that sometimes comes with difficult decisions? Is there some way we can make a step change in our capability to make difficult decisions well?

What is a difficult decision? It may be about policy or operational choices, the management of people, the commitment of financial resources or the time committed to different activities. It might be about the balance between short-term and long-term consequences. It could be decisions that affect nobody other than ourselves or decisions which influence a wide range of different people.

Sometimes our decisions have no consequences other than for today. Sometimes the decisions which we think are just about today have consequences over a long period. When the Iroquois made a decision, they said, 'How does it affect seven generations in the future?' They were steeped in history and recognised that decisions taken today had outcomes for many years ahead.

Principles of decision-making

Whatever the nature of the decision you or your organisation is taking, the principles of good decision-making are the same. It is all about:

- **clarity**: utter objectivity about the issue, the context and the consequences;
- **conviction**: the place of intuition, values and trained judgement;
- **courage**: turning belief into action to build next steps;

- **communication:** embracing listening, engaging and persuading.

The heart of good decision-making is balancing clarity and conviction. It is the interplay between analysis and beliefs, logical thinking and the 'gut' reaction that is at the heart of how we make decisions. Courage and communication are then essential elements in being decisive, taking forward difficult decisions effectively and getting the business done.

Our ability to make decisions depends on our own self-understanding and how we handle ourselves when making decisions. We need to know when we are good at making decisions and when we are in danger of being less effective because of blinkering, avoidance, vulnerability or even fear. Understanding our own strengths and weaknesses is essential to our being able to improve our ability to make good decisions and move on. Understanding the way other people make decisions provides an important input, especially those people whose styles and preferences are very different to our own.

These four elements of clarity, conviction, courage and communication apply just as readily to strategic or short-term decisions, to work or personal choices and to addressing life choices about our use of time and energy. Developing the capability to make decisions well in one area of our lives can enhance our ability to make decisions in other areas of our lives. For example the way we make decisions on the sports field can directly affect our ability to make decisions in the work place.

The aim of this book is to enable the reader to:

- clarify their own thinking about the best way of making difficult decisions;
- view the decision-making of others in a more aware and accurate way so that there is greater

understanding of why others reach the decisions they do;

- understand their own preferences and foibles in making difficult decisions;
- be able to take difficult decisions with greater confidence, less personal anguish and worry.

The successful decision maker needs enough self-awareness to see themselves as others see them, to acknowledge their mistakes and not to take themselves too seriously while being fully committed to the decisions they are taking.

The book draws on the experiences of a wide range of people in leadership positions covering both the private, public and voluntary sectors. It covers the perspectives of senior leaders wrestling with financial investment decisions, Permanent Secretaries leading major UK government departments and those with difficult decisions in the justice world including judges, a prison governor and a Chief Constable. It includes senior leaders in educational establishments and hospitals making decisions that affect the long-term future and well being of individuals. It draws on examples of decision-making in the sports world. The examples deliberately come from people of varying degrees of seniority. The issues facing a junior supermarket manager and a government minister may be very different in scale, but will often contain similar dilemmas about facts and feelings with similar time pressures to make quick decisions.

The 4 Cs of clarity, conviction, courage and communication have resonated with leaders facing difficult decisions in a wide range of different sectors including politics, government, financial institutions, education establishments, hospitals, prisons, manufacturing firms and retail organisations. These all are very different spheres but they all require decisions to be made thoughtfully, decisively and often quickly. Finding the balance between

clarity and conviction has resonated with every leader I have spoken to as being what good decision-making is all about.

How to use this book

The book can be read from start to finish or used as a resource to address particular issues.

Part 1 of the book addresses the 4 Cs of making difficult decisions. It includes a particular focus on the balance between clarity and conviction where various leaders from different spheres talk thoughtfully about how they have tried to ensure they get that balance right and what they have learnt when they got it wrong.

Part 2 looks at taking forward key aspects of making difficult decisions addressing:

- **applying the learning from good decision makers:** which looks at the experience of role models in decision-making;
- **embedding the ability to make difficult decisions:** which is about learning effectively from our experience;
- **enabling others to make difficult decisions:** which is about enabling individuals and teams to have the courage, confidence and resources to make choices effectively;
- **key questions in making difficult decisions:** if we are able to ask the right questions it helps making difficult decisions more manageable.

Part 3 addresses making difficult decisions in particular circumstances. It sets out practical steps which aim to provide a stimulus for deciding what action to take. It considers the following areas:

- **making difficult decisions as the boss:** this includes introducing better decision-making into your

senior team, changing the values of your organisation, taking a decision when your senior team have differing views, moving senior members out of your team and being compelled to readdress an issue;

- **making difficult decisions in relation to your boss:** this covers enabling your boss to face up to a decision they are ducking, influencing your boss to make a decision in support of your favoured approach, holding firm when your boss is demanding an immediate decision, and rebuilding a relationship after a difference of view on a decision;
- **making difficult decisions in relation to your peers:** this includes persuading a peer that the decision they are moving towards is wrong, building support from colleagues for a decision you want to take, building a wider network which will enable decisions to be made more effectively in the future, and building a relationship with peers which provides a framework for future decision-making;
- **dealing with your hopes and fears:** this includes handling a situation where you are indecisive, facing a decision you do not like taking, recovering from a wrong decision, and holding firm when courage fails you;
- **addressing values and priorities:** this includes guarding against difficult decisions sapping energy, coping when work and personal priorities are at odds with each other, or work and personal values are at odds with each other, and the balancing of long- and short-term personal priorities.

Your reflections on decision-making

My hope for you is that reflecting on these elements of **clarity, conviction, courage** and **communication** will