

# Ivey BUSINESS JOURNAL

IMPROVING THE PRACTICE OF MANAGEMENT

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By Michael A. Roberto

Reprint # 9B05TE09

IVEY MANAGEMENT SERVICES • September/October 2005  
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# Why making the decisions the right way is more important than making the right decisions

*Many managers disdain "process" - organizations that put a premium on "the way things have always been done around here" over those that champion bold and rapid decision making. Ironically, as this author states, making the right decision is less important than focusing on how the decision is made - the process. In a compelling argument he makes the case that examining how decisions are made, rather than the decisions themselves, will lead to better decisions.*

By Michael A. Roberto

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Have you ever censored your views during a management meeting, nodding politely as your boss or a respected colleague put forth a proposal? Have you ever left meetings with unspoken thoughts - ideas to improve a proposal, or maybe even concerns that it should never have been approved in the first place?

If you answered yes to these questions, take comfort - you are not alone. Many groups and organizations shy away from vigorous conflict and debate. For starters, managers often feel uncomfortable expressing dissent in the presence of a powerful and popular chief executive. They find it difficult to be candid when a boss dominates the room, or they defer to technical experts, rather than challenge their opinions.

Deeply held assumptions about customers, markets and competition can become so ingrained in people that an entire industry goes on blindly accepting conventional wisdom. Pressures for conformity also arise because cohesive, relatively homogeneous groups of like-minded people have worked with one another for a long time. Leaders, too, sometimes avoid conflict because they are not comfortable with confrontation in a public setting. Whatever the reasons - and they are bountiful - the absence of healthy debate and dissent frequently leads to faulty decisions. In fact, organizations may not only make poor choices; they may fail to challenge unethical decisions. As *Business Week* wrote in its 2002 special issue on corporate governance: "The best insurance against crossing the ethical divide is a roomful of skeptics...By advocating dissent, top executives can create a climate where wrongdoing will not go unchallenged."

Of course, conflict alone does not lead to better decisions. Leaders also need to build consensus in their organizations. Consensus, as we shall define it here, does not mean unanimity, widespread agreement on all facets of a decision or complete approval by a majority of organization members. It does not mean that teams, rather than leaders, make decisions. Consensus does mean that people have agreed to co-operate in the implementation of a decision. They have accepted the final choice, though they may not be completely satisfied with it.

Consensus has two critical components: a high level of commitment to the chosen course of action and a strong, shared understanding of the rationale for the decision. Commitment helps to prevent the implementation process from being derailed by

organizational units or individuals who object to the selected course of action. Moreover, commitment may encourage management to persevere in the face of other obstacles, and motivate individuals to think creatively about how to overcome them. A common understanding of the decision rationale allows individuals to coordinate their actions effectively, and it enhances the likelihood that everyone will act in a manner that is "consistent with the spirit of the decision." Naturally, consensus does not ensure effective implementation, but it enhances the likelihood that managers can work together to overcome obstacles that arise.

Unfortunately, when executives engage in vigorous debate during the decision process, people sometimes walk away dissatisfied with the outcome, disgruntled with their colleagues and not fully dedicated to the implementation effort. Conflict may diminish consensus, and thereby hinder the execution of a chosen course of action. Herein lays a fundamental dilemma for leaders: How do you foster the conflict and dissent that enhances the quality of decisions while also building the consensus required to implement those decisions effectively? In short, how does one achieve "diversity in counsel, unity in command"?

### Asking the "How" question

To manage conflict and consensus effectively, leaders need to change the way in which they typically make decisions. Most leaders tend to focus, first and foremost, on finding the "right solution" when a problem arises, rather than stepping back to determine the "right process" that should be employed to make the decision. They fixate on the question, "What decision should I make?" rather than asking, "How should I go about making the decision?" Leaders who answer the "how" question correctly often experience a profound improvement in their decision-making effectiveness. They are able to create the conditions and mechanisms that lead to healthy debate and dissent as well as a comprehensive and enduring consensus.

Creating a high-quality decision process - one that balances constructive conflict with commitment and shared understanding - requires a healthy dose of forethought. Leaders must actively shape and influence the conditions under which people will interact and deliberate. They must make choices about the type of process they wish to employ and the roles they want various people to play. In short, leaders must "decide how to decide" as they confront complex and ambiguous situations, rather than fixating solely on the intellectual challenge of finding the optimal solution to the organization's perplexing problems. Let's take a closer look at how one leader learned from his mistakes - and spent time "deciding how to decide" before he needed to make his next high-stakes choice.

### The Bay of Pigs vs. The Cuban Missile Crisis

In April 1961, President John F. Kennedy made the decision to authorize U.S. government assistance for the Bay of Pigs invasion—an attempt by fourteen hundred Cuban exiles to overthrow the Castro regime. Three days after the brigade of rebels landed on the coast of Cuba, nearly all of them had been killed or captured by Castro's troops. The invasion was a complete disaster, both in terms of loss of life and political damage for the new President. Nations around the world condemned the Kennedy administration's actions. As the President recognized the dreadful consequences of his decision to support the invasion, he asked his advisers: "How could I have been so stupid to let them go ahead?"

The President and his advisers certainly did not lack intelligence; David Halberstam once described them as "the best and the brightest" of their generation. Nevertheless, the Bay of Pigs decision-making process had many flaws. Veteran officials from the CIA advocated very forcefully for the invasion, and they filtered the information and analysis presented to Kennedy. The proponents of the invasion also excluded lower-level State Department officials from the deliberations, for fear that they might expose their plan's weaknesses and

risks. Throughout the discussions, the President and his Cabinet members often deferred to the CIA officials, who appeared to be the experts on this matter, and they chose to downplay their reservations about the invasion. Kennedy did not seek out unbiased experts to counsel him. Arthur Schlesinger, a historian serving as an adviser to the President at the time, later wrote that the discussions about the CIA's plan seemed to take place amidst "a curious atmosphere of assumed consensus." In the absence of vigorous dissent and debate, many critical assumptions remained unchallenged. For instance, the CIA officials argued repeatedly that Cuban citizens would rise up against the Castro government as soon as the exiles landed at the Bay of Pigs, thereby weakening the Communist dictator's ability to repel the invading force. No such domestic uprising ever took place. Proponents also contended that the exiles could retreat rather easily to the mountains nearby if they encountered stiff opposition upon landing on the shore. However, the invading force would need to travel over rough terrain for nearly eighty miles to reach the safety of those mountains.

After the botched invasion, President Kennedy evaluated his foreign policy decision-making process, and he instituted several key improvements. In October 1962, when Kennedy learned that the Soviets had placed nuclear missiles in Cuba, he assembled a group of advisers to help him decide how to proceed, and he put these process improvements into action. This group, known as Ex Comm (an abbreviation for Executive Committee of the National Security Council), met repeatedly throughout the Cuban missile crisis.

What process changes did Kennedy enact? First, the President directed the group to abandon the usual rules of protocol and deference to rank during meetings. When he did not attend meetings, the group operated without an official chairman. He did not want status differences or rigid procedures to stifle candid discussion. Second, Kennedy urged each adviser not to participate in the deliberations

as a spokesman for his department; instead, he wanted each person to take on the role of a "skeptical generalist." Kennedy directed each adviser to consider the "policy problem as a whole, rather than approaching the issues in the traditional bureaucratic way whereby each man confines his remarks to the special aspects in which he considers himself to be an expert and avoids arguing about issues on which others present are supposedly more expert than he." Third, the President invited lower-level officials and outside experts to join the deliberations occasionally, so as to ensure access to fresh points of view and unfiltered information and analysis. Fourth, members of Ex Comm split into subgroups to develop the arguments for two alternative courses of action. One subgroup drafted a paper outlining the plan for a military air strike, while the other articulated the strategy for a blockade. The subgroups exchanged memos and developed detailed critiques of one another's proposals. This back-and-forth continued until each subgroup was prepared to present its arguments to the President. Fifth, Robert Kennedy and Theodore Sorensen, two of the President's closest confidantes, were assigned to play the role of devil's advocates during the decision-making process. Kennedy wanted issues to surface and the two men to challenge every important assumption, as well as to identify the weaknesses and risks associated with each proposal. Sixth, the President deliberately chose not to attend many of the preliminary meetings that took place, so as to encourage people to air their views openly and honestly. Finally, Kennedy did not try to make the decision based upon a single recommendation put forth after his advisers had discussed and evaluated the situation. Instead, he asked that his advisers present him with arguments for alternative strategies, and then he assumed the responsibility for selecting the appropriate course of action. For a summary of the differences between the two decision-making processes, see Table 1 (Bay of Pigs vs. Cuban Missile Crisis) on the next page.

This case demonstrates how leaders can learn from failures and then change the process of decision

making them employ in the future. Here, we see Kennedy identifying the flaws in the processes employed in the Bay of Pigs, and then deciding how to decide in critical foreign policy situations in the future. Kennedy recognized that the Bay of Pigs deliberations lacked sufficient debate and dissent, and that he had incorrectly presumed that a great deal of consensus existed, when, in fact, latent discontent festered within the group. Perhaps more

importantly, Kennedy understood that, before plunging into deliberations, he had not given much thought to how the Bay of Pigs decision should be made. Consequently, ardent advocates of the invasion took control of the process and drove it to their preferred conclusion. By making key process design choices at the outset of the Cuban Missile Crisis, Kennedy shaped and influenced how that decision process unfolded, and, in so doing, he

**Table 1: Bay of Pigs vs. Cuban Missile Crisis**

| Process Characteristics         | Bay of Pigs                                                                                                                                                                                            | Cuban Missile Crisis                                                                                                                                                                                                     |
|---------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Role of President Kennedy       | <ul style="list-style-type: none"> <li>Present at all critical meetings</li> </ul>                                                                                                                     | <ul style="list-style-type: none"> <li>Deliberately absent from preliminary meetings</li> </ul>                                                                                                                          |
| Role of Participants            | <ul style="list-style-type: none"> <li>Spokesman/advocates for particular departments and agencies</li> </ul>                                                                                          | <ul style="list-style-type: none"> <li>Skeptical generalists examining the "policy problem as a whole"</li> </ul>                                                                                                        |
| Group Norms                     | <ul style="list-style-type: none"> <li>Deference to experts</li> <li>Adherence to rules of protocol</li> </ul>                                                                                         | <ul style="list-style-type: none"> <li>Minimization of status/rank differences</li> <li>Freedom from rules of protocol</li> </ul>                                                                                        |
| Participation & Involvement     | <ul style="list-style-type: none"> <li>Extreme secrecy—very small group kept "in the know"</li> <li>Exclusion of lower-level aides and outsiders with fresh points of view</li> </ul>                  | <ul style="list-style-type: none"> <li>Direct communication between Kennedy and lower-level officials with relevant knowledge and expertise</li> <li>Periodic involvement of outside experts and fresh voices</li> </ul> |
| Use of Subgroups                | <ul style="list-style-type: none"> <li>One small subgroup, driving the process</li> <li>"The same men, in short, both planned the operation and judged its chances of success."<sup>1</sup></li> </ul> | <ul style="list-style-type: none"> <li>Two subgroups of equal size, power and expertise</li> <li>Repeated exchange of position papers and vigorous critique and debate</li> </ul>                                        |
| Consideration of Alternatives   | <ul style="list-style-type: none"> <li>Rapid convergence upon a single alternative</li> <li>No competing plans presented to the President</li> </ul>                                                   | <ul style="list-style-type: none"> <li>Balanced consideration of two alternatives</li> <li>Arguments for both options presented to the President</li> </ul>                                                              |
| Institutionalization of Dissent | <ul style="list-style-type: none"> <li>No individual designated to occupy the special role of devil's advocate</li> </ul>                                                                              | <ul style="list-style-type: none"> <li>Two confidantes of the President playing the role of "intellectual watchdog," probing for the flaws in every argument</li> </ul>                                                  |

enhanced the quality of the solution that he and his team developed.

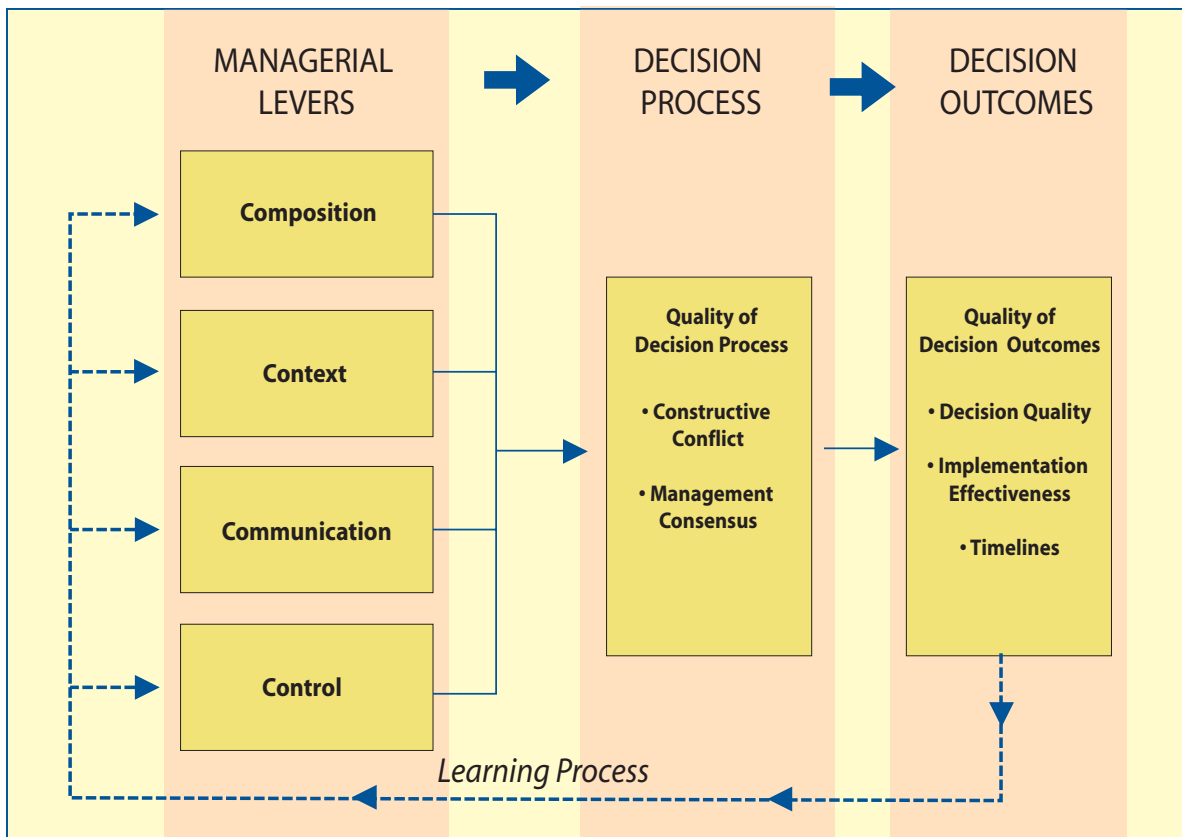
### Managerial levers

"Deciding how to decide" entails four important sets of choices that affect a leader's ability to cultivate constructive conflict and build enduring consensus (see Figures 1 and 2). First, the leader must determine the composition of the decision-making body. Who should have an opportunity to participate in the process? Executives should not simply consult with the set of direct reports with whom they meet on a regular basis, nor should they expect that this particular group is well suited to make all high-stakes decisions. Kennedy assembled a decision-making body based upon an assessment of the needs of the situation at hand. Ex Comm included many, but not all, members of the President's Cabinet; it also engaged individuals who did not report directly to the president, and who did not participate regularly in Cabinet meetings. President

Kennedy drew upon people at multiple levels of the organization as the decision process unfolded. In the Bay of Pigs, the President failed to ensure that key players from the State Department who had deep knowledge of the Cuban government and society participated in the Cabinet-level discussions regarding the CIA's invasion plan. Moreover, the CIA restricted the flow of information to the President, and people with different views were blocked from communicating directly with Kennedy. In contrast, the President reached down below the level of his direct reports during the Cuban Missile Crisis, to ensure that he had access to unfiltered information from people with knowledge pertinent to the situation.

Second, leaders must shape the context in which deliberations will take place. What norms and ground rules will govern the discussions? As psychologist Richard Hackman has pointed out, many groups establish ground rules that seek to ensure smooth and harmonious interaction among participants. However, he stresses that being polite and courteous to one

**Figure 1: Setting the Stage for Quality Processes and Outcomes**

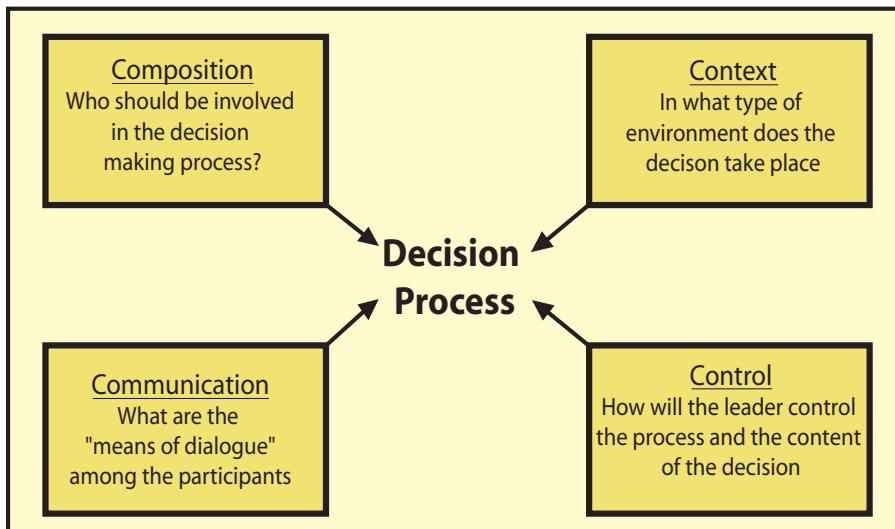


another - not interrupting others, for example - certainly does not ensure successful performance! President Kennedy made a clear and explicit attempt to recast the behavioral norms that governed the actions of his advisers during the Cuban Missile Crisis. He made it clear that he valued candour more than harmony, and that conflicts should not be smoothed over or avoided. In addition, in the Bay of Pigs, the norms implied that each person should restrict their comments to those

Crisis, Kennedy created mechanisms for communication that stimulated more critical and divergent thinking. He employed subgroups to generate and debate alternatives. In addition, he assigned two devil's advocates to critique each option, probe the underlying assumptions and expose critical risks.

Finally, the leader must determine the extent and manner in which he will control the process and content of the decision. What role will the leader play during discussions, and how will he direct the process? Kennedy chose to absent himself from early discussions and debates during the Cuban Missile Crisis, and he refrained from micromanaging in the way that he did on detailed aspects of the Bay of Pigs operation. However, he remained firmly in control of the process. Moreover, when it came to making the ultimate decision, he made it clear that he would adopt

**Figure 2: Deciding How To Decide: Four Critical Choices**



topics on which they had deep expertise, past experience and/or direct organizational responsibility. During the Cuban Missile Crisis, Kennedy encouraged people to speak freely and provide input on any topic. Each person was asked to view problems from the perspective of a "skeptical generalist" rather than a specialist.

Third, the leader should consider how communication will take place among the participants in a decision process. How will people exchange ideas and information, as well as generate and evaluate alternatives? During the Bay of Pigs decision, Kennedy allowed the CIA to dominate the discussion, and to serve as the analysts as well as the advocates of their plan. Moreover, he waited passively for dissent to emerge, rather than actively inducing conflict and debate. In the Cuban Missile

something akin to an arbitrator orientation, "listening to competing arguments and selecting the course of action that he believes is best for the organization." He asked the opposing sides to present their proposals to him, and he wanted to listen to the debate take place between them. However, he also made sure that everyone understood that he would evaluate the arguments and make the final decision on his own, rather than trying to broker a compromise or serve as a mediator among the parties involved.

**The power to learn**

President Kennedy demonstrated during the Cuban Missile Crisis that a leader has many levers available to affect the quality of a high-stakes decision-making process. Moreover, he showed that leaders have the opportunity to learn from prior failures and use those lessons to modify the process

choices that they make in the future. Of course, it takes a certain mindset to acknowledge one's failures and invite others to provide advice regarding how to change. The culture in many organizations also inhibits productive learning. As organizational learning expert David Garvin has noted, many firms have a culture that regards learning as an activity that distracts resources and attention from the "real work" that needs to be done.

President Kennedy's actions demonstrate another important distinction regarding the learning process that takes place after critical choices are made. When decision failures occur, many executives focus on the issues involved, and they seek to identify the mistaken judgments and flawed assumptions that they made. However, many leaders do not push further to investigate why they made these errors. Too many of them engage only in content-centric learning. By that, I mean that they search for lessons about how they will make a different decision when faced with a similar business situation in the future. For instance, an apparel executive reported to me about a decision to move into a new product category. When the decision proved to be a failure, he reflected back and concluded that the firm did not have the skills and capabilities to succeed in a fashion-driven market segment. He resolved never to invest in a fashion-oriented business again.

Kennedy adopted a different learning orientation. He engaged in process-centric learning, meaning that he thought carefully about why the Bay of Pigs decision-making procedures led to mistaken judgments and flawed assumptions. He did not simply draw a series of conclusions about how to handle future choices regarding U.S. policy toward Cuba or the support of rebel movements in other countries. He searched for lessons about how to employ a different process when faced with tough choices in the future.

The power of process-centric learning can be remarkable. Consider that apparel executive once again. His conclusion about fashion-driven product

categories proved to be a solid example of productive content-centric learning. Still, he continued to search for other lessons he could learn from the failure, and concluded that he had become too emotionally attached to his original idea. Consequently, he discounted a series of warning signs, focused on confirmatory information and failed to listen to dissenting voices. How many times did the apparel executive apply the lesson regarding fashion-driven product categories? The answer: on many fewer occasions than he benefited by adopting a different approach to the collection and interpretation of information during a high-stakes decision-making process.

### The prepared mind

Louis Pasteur once said, "Chance favours the prepared mind." Indeed, the prepared mind of an effective leader thinks carefully about the type of decision-making process that they wish to employ before they immerse themselves in the weeds of a particular business problem. Moreover, the prepared mind searches constantly for the opportunity to learn from past successes and failures, and then improves the way he goes about making crucial choices in the future. **I**