

Making good decisions in uncertain times

Entrepreneur **Robbie Steinhouse** has built his property and insurance group, Gray's Inn Estates, into a highly successful enterprise managing over 40,000 properties in the UK. Author of a new book, *Brilliant Decision Making*, here he looks at how to make the right move in uncertain times.

The basic challenge of business decisions is the tension between the dangers of passivity and unexpected consequences of activity. Here are five top tips on how to deal with this tension:

- ▶ Work out your end game for the next 12 to 18 months – what are the must haves?
- ▶ Play out scenarios in your mind before you implement them.
- ▶ Ensure you are sufficiently externally focused so that a change in circumstances can be accommodated. Don't get 'married' to any particular course of action
- ▶ Anticipate the effect on key stakeholders and staff of your decisions and get buy-in before you act.
- ▶ Execute decisions lightly, so you can change course.

Point one gives you an overall vision of where you are going. A great saying I picked up in the States: "Our strategy changes every day, but our vision stays fixed."

On point two, everyone knows they are better at something they have practised, from juggling to negotiating. In a new situation, however, practice appears impossible. In one sense it is, but one can get round this problem.

Mental rehearsal is a skill taken from NLP, a field of psychology that I also teach. Sports people use it to imagine situations they might encounter, and business people can do the same. This is very different from ruminating about a problem.

Think through logically and carefully what you will do if various events occur. Make notes. Have a few subtle explorative discussions (don't



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agree anything) with people to see what their reactions to certain decisions would be.

This practice worked for me on several levels: not only was I simply better informed, but my brain felt sharpened by these exercises – even when something totally unexpected happened, I was ready to deal with it quickly.

Point three: in fast-changing times, too rigid an implementation of a decision can be disastrous. You have to be prepared to amend a decision if circumstances suddenly turn out to be totally different to the ones you thought prevailed.

This is a difficult balancing act, as you clearly need to put some energy behind implementation. But energy is not enough.

Decision making is sometimes split into 'deciding' and 'implementing', but things are never this simple. While there

is usually a moment when a big decision is made, the precise implementation has to be worked out as you go along. As General Eisenhower said: "Plans rarely survive the first encounter with the enemy."

Point four: the more you can 'square' people with a decision in advance the better. Of course, there are sometimes commercial and legal reasons why you cannot do this.

In these cases, you must devote time as quickly as possible to getting key people 'on side'.

With one decision I took, I found myself faced by a mini-revolt by a key staff member. Time for lunch and a heart to heart - "Trust me for one more month and judge then, not now." It worked.

Point five: I remember deciding to change the roles of some senior staff. Before formally putting these changes in place, we had a meeting where the new roles were discussed, in the spirit of 'what if...'

Most people seemed happy, but one particular person kept on objecting. It suddenly occurred to me that the individual was unable to do the job I wanted him to. I had no option but to change course.

Because the meeting had only been exploratory, it was relatively easy to do this, without losing face or ruffling others' feathers.

Finally, difficult times clearly increase risk – though they can also throw up opportunities. A good question to ask if an opportunity presents itself is, if things went wrong, how much would we lose from this, and

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could we survive that?

So, what makes a good decision maker in turbulent times? A clear mind, obviously. You know where you are headed. But at the same time, be flexible about exactly how you get there.

Take time and energy to get key people on board with all your major decisions: even for a one-person business there are other stakeholders to consider, such as key customers and key suppliers.

Don't lose all appetite for risk – just tread carefully. Above all, be prepared to change decisions, especially tactically, if circumstances turn out to be different to what you thought – which they will.

Some time, hopefully soon, the changes that surprise us will be ones for the better.

Robbie Steinhouse's book, *Brilliant Decision Making*, is published by Prentice Hall and is priced £12.99.