

The dangers of hasty decision-making

In his latest book, *Why Decisions Fail*, scholar Paul C. Nutt analyzes 15 disastrous courses of action, from Ford's defense of the flammable Pinto to Disney's ill-advised theme park in France. In every one, leaders made clearly identifiable mistakes that the rest of us can avoid.

While it's true that any decision is better than no decision, it's also true that during the 1990s, high-tech entrepreneurs created a myth that all decisions have to be made quickly. That myth, says Nutt, has seduced many leaders, leading to widespread errors across industries.

In fact, Nutt points to research showing that only one in 10 decisions is urgent, and only one in 100 presents itself during a true crisis. Most of the time, you have time to reflect before deciding.

What does Nutt mean by "time to reflect"? Probably more than days and less than months. Decisions that drag on for years usually fail, and that was true decades ago as well as today.

It's probably worse now, Nutt says, because of the pressures that instant communication—the Internet, television, e-mail—bring.

"If a problem is identified at 8:03, you're supposed to announce a solution by 8:05," Nutt says. "Having to do something instantly leads to a lot of bad decisions. And then, of course, you have to focus your energy on justifying what you did."

Lessons: Unless it's clear right now what to do, tell anybody who's pressing you that you'll study the question and get back to them in a reasonable amount of time. Then, take your time ... and decide.

— Adapted from "The Secrets of Great Decision- Making," Anne Fisher, *Fortune*.