

*Association leaders make tough decisions every day, but some have a lot more at stake than others. Five factors will influence how well you are able to make these decisions, ultimately determining the success of your organization and your career.*

By Francie Dalton

# Pivotal Decisions

Consider these scenarios:

*Your largest member company consistently hijacks board meeting agendas, intimidating smaller member companies and making it impossible to move forward on important issues.*

*A faction of members, representing essential dollars, threatens to leave the organization unless you meet demands that don't clearly align with the mission statement.*

*You know what the best decision is on a particularly difficult issue, but you also know you'll get no support for it from your board.*

How you manage pivotal decisions such as these shapes you and your career, shapes how others view you and the quality of your leadership, and reveals your core values.

Failing to recognize the special nature of pivotal decisions increases the likelihood that your decisions will be reactionary or perfunctory, generating unintended consequences that are hard to endure and expensive to remediate. The fact that you did not intend the consequences is not mitigating; the fact that you are not sensitive to any resulting negative perceptions is not insulating. Instead, primary among the negative outcomes of mishandled pivotal decisions is an erosion of the credibility of leadership—something that's virtually impossible to rebuild.

Five factors combine to predict success in preparing for, making, and formulating your approach to pivotal decisions. Understanding these will stabilize and strengthen you as you face even the toughest pivotal decisions and will increase the aplomb with which you handle them.

### **Factor One: Anticipating Pivotal Decisions**

The best time to confront pivotal decisions is before you have to. However, you do have two alternative choices: You can wait for them to burst upon you without warning and then do your best to wing it, or you can just accept that your organization will be in a perpetual state of damage control as you struggle to mitigate the results of unanticipated pivotal decisions. Impractical as it may initially seem, it really is possible to anticipate pivotal decisions, to prepare for them in advance, and to lead through them, virtually, before they ever happen. Here's how.

First, imagine the toughest business scenarios you might face—reasonably predictable dilemmas in which you would be highly vulnerable. Think of all that you take for granted managerially and imagine losing it. Consider what you think is absolutely certain and think of what would happen if that certainty proved unfounded. Work to identify at least five potentially calamitous scenarios, such as difficult board members or strongly polarized opinions.

Next, identify the indicators likely to precede each scenario. What specific occurrences would indicate that the scenario is indeed becoming imminent? Listing these will increase the probability that you'll recognize the indicators if and when they actually occur, especially those you're predisposed not to recognize due to your own biases or blind spots.

Now, walk through each scenario, one at a time, as though you were really facing the difficulty. What are your options, and what are the predictable

consequences of each option?

Which option would you choose? Why? Be sure you can clearly articulate your reasons for choosing a particular option. Fluency here will help you speak with a conviction adequate to be persuasive with key audiences. Further, "being crystal clear about why you chose a particular course of action will increase your ability to handle resistance," says Marty Saggese, executive director, Society for Neuroscience, Washington, DC, "and when decisions are pivotal, resistance is virtually assured."

Next, it's important to visualize the implementation of your choice. If you have trouble here, if you can't really see yourself implementing the decisions you've concluded are the correct ones, then perhaps you should get out of the big chair. "It's not a matter of whether you want to make the decisions or are comfortable making them," says Jim Marks, executive vice president, Chartered Property Casualty Underwriters Society, Malvern, Pennsylvania. "As CEO, you're the one who has to do the hard things; you can't pass them off." If the decisions cause you emotional anguish, if you rail against having to make them, realize that's exactly the kind of decision a CEO should be making and that you're not alone in your discomfiture. No honorable CEO relishes the implementation of decisions that will be painful to others, but your feelings cannot be the determinant for taking action.

Finally, identify what's thematic about your decision making. The criteria you use to make pivotal decisions are likely to be consistent over time. For example, are you consistently benevolent? If so, you're likely to have earned an organization of mediocre performers. Is it your pattern to be harsh? If so, you're likely to have earned resentment of your leadership. Is your modus operandi to "duck" all the incendiary issues? If so, you're likely to have earned a lack of respect for your leadership. Understand that whatever pattern you've established, it's already

visible and is speaking volumes to key audiences. Take time to discern what your pattern indicates about the style and quality of your leadership and what the impact of this pattern is on your organization, then determine what adjustments you need to make.

### **Factor Two: Discerning the Need for Decisions on Demand**

The executive ranks are brimming over with action-oriented, quick-thinking individuals who are willing to dispense decisions on demand. More challenging, though, is knowing whether a pivotal decision should be made on demand. "Others may try to convince you that the sky really is falling. It's not. Keep telling yourself that. The sky is not falling; you will lead through it" says Cathy Rydell, executive director and CEO, American Academy of Neurology, Saint Paul, Minnesota.

In the heat of the moment, it can be tempting to act precipitously, perhaps having been lured into believing that the option to do nothing doesn't exist. Such decisions often end up being changed as retrospective analysis reveals that you really should have taken more time. Developing an ability to discern when immediacy is required and when it isn't regarding pivotal decisions is essential. You may perhaps be forgiven the reversal of one pivotal decision, but repeat reversals will cause your constituency to second guess all of your decisions. It's usually obvious when the luxury exists to gather more information, to get advice, to benchmark, or to conduct a comprehensive business analysis, but the difference between what's truly pivotal and that which masquerades as such is often not so obvious.

Having determined that a decision is indeed of a pivotal nature, you'll need to work hard to ensure you're guided by your own well-developed intrinsic sense of timing—not by all the noise surrounding the situation. Learning to trust your sense of timing isn't easy, especially amid the drama and distress of others, and there's really no formula

to help you do so. As disconcerting as it may seem, you almost have to develop a feel for this stuff.

“There’s a quality of patience that comes with maturity,” says Jim Greenwood, president of the Biotechnology Industry Organization, Washington, DC, “that enables you to endure some agony, take the heat, and wait it out.” When immediacy is not required, waiting can actually be a good strategy. For example:

- When you’ve had to make a number of quick decisions and need to lessen the perception that you’re “Quick Draw McGraw;”
- When factions are divided, and you need time to build bridges between or among them;
- When the decision really should be made at a lower level;
- When emotions are intense, and time is needed for them to dissipate;
- When you become emotional about a particular decision—a warning that perhaps you should reconsider your motives.

If you’ve already succumbed to feigned immediacy, you’re not alone; most people make at least a few bad calls from rushing pivotal decision making. Just keep in mind that the maturity of your leadership ability is best revealed at such times, as are your most important developmental needs. “When results are suboptimal,” says Karen Hackett, CEO, American Academy of Orthopaedic Surgeons, Rosemont, Illinois, “be rigorous in conducting postmortems. Learn from the experience and apply that learning to future endeavors”.

### Factor Three: Perfecting Prequels

“Doing the right thing isn’t always possible” says Rydell. “Even when you’re utterly convinced of the wisdom of a certain course of action, sometimes execution isn’t possible if you don’t have the necessary buy-in.” More often than you’d prefer, you’ll have to subordinate your desire for quick success to a longer-term strategy that garners sup-

port. This can be terribly frustrating—and letting that frustration show won’t advance your cause. Like it or not, success as an association executive requires graduation from what John Gray, president and CEO of Healthcare Distribution Management Association, Arlington, Virginia, refers to as the “Scarlett O’Hara School of Management.” “Tomorrow is another day,” he says. “Don’t dwell on the ambiguity of the current moment; instead, keep moving. Just focus continually on what needs to happen next and get it done.”

Stepping back and working to gain clarity of alternative points of view takes time, which can be particularly painful when the resulting delay diminishes a time-sensitive business opportunity. And, of course, the more passionate you are about your idea, the more the delay will rankle. “But passion,” says Scott Hunt, executive director, Endocrine Society, Chevy Chase, Maryland, “doesn’t have to be an ultimatum. If you don’t win your point, understand that it’s not personal. As an association CEO, you’re hired to provide your best advice. Do that. And if your advice isn’t taken, understand that your obligation is to give your best support to the decision that is taken.”

So let’s assume that in a particular instance, your advice has not been taken, but that you’ve controlled your attitude, and you’ve hidden your disappointment like a champ. Now what? How do you reopen conversation on the topic without seeming to reassert your position? By developing the perfect prequel.

First, conduct your conversations with your adversaries as if you were strolling casually on a treasure hunt. Work to find commonalities in the viewpoints of others. Don’t crush each suggestion as it is revealed; instead, first gather all information, reserving your neutralizing strategies for a subsequent interaction.

Next, approach the process as if it were an excavation. Your job is to unearth all that lies beneath so that a clear picture emerges. Equipped with such clarity, you’re better able to cus-

tomize your plan to the needs of your constituents.

And remember: Something is better than nothing. “When complete alignment isn’t achievable,” says Hackett, “you may have to be satisfied with incremental progress. Although this is certainly slower, it’s better than nothing, and the gains are more likely sustainable over the long term.”

Having excavated all relevant nuggets, you’re now in a position to create the conditions that will produce alignment among the key parties, ultimately clearing the way for the implementation of what you already know to be the best course. “Such conditions,” says John Graham IV, president and CEO, American Society of Association Executives, Washington, DC, “may include clarifying what’s in it for all involved parties, creating ways for certain individuals to win, helping others feel good about themselves, and doing your best to mitigate that which is causing pain for others. And remember, it’s not about you; it’s not about your ego or your power or you proving yourself. It’s about doing what’s best for the organization.”

### Factor Four: Developing Pivotal Decision Makers

It’s one thing to recognize your fiduciary responsibility to teach direct reports how to make pivotal decisions; it’s quite another to actually let them do it. Here’s how you can provide this vital learning without it being a harrowing experience for you.

Purposefully design pivotal decisions for your subordinates to face. Having done so, back off and let them handle it. If they struggle, hard as it may be to witness, don’t step in and rescue them, and don’t hand them the answers on a silver platter. Instead, let them develop the inner strength that comes only from enduring every step of the pivotal-decision-making process.

To ease into this process, consider using coaching techniques. Brief a senior staffer on a decision that needs to be made and ask for a recommenda-

tion. Complete your own analysis and then discuss any differences between your decision and the recommendation. You can also ease into the process of implementing pivotal decisions by making the implementation a joint effort that the two of you work on together.

“CEOs should constantly be creating for their direct reports the need for pivotal decisions,” says Steve Lovett, executive vice president, American Forest and Paper Association, Washington, DC. “It’s important to help them discover that they can handle such decisions, and there’s just no adequate substitute for actual experience.”

### Factor Five: That “Special Something”

Now, let’s assume the pivotal decision you have to make is surrounded by tremendous acrimony. You’re in the midst of a veritable firestorm trying to manage multiple and inflammatory impasses. Perhaps the very existence of the organization or your own job is at risk. This is, after all, the essence of what makes a decision pivotal.

While the first four factors are important in that they will prepare you for and guide you through the decision-making process, they don’t have to be executed flawlessly. Not so with the fifth factor, which frames the context within which you ultimately articulate your decision. This fifth factor must so infuse you, must be so characteristic of you, that it floods your space and magnetizes others to you. It is this factor that determines whether your decision will elicit commitment and whether that commitment will be sustained over time. It requires courage, but is not courage; it gives you strength, but is not strength; it makes you resilient, but is not resilience. It’s self-confidence—not arrogance, not superiority, not ego—but a self-confidence that radiates steadiness and wisdom in times of trouble.

One of the best indicators of self-confidence is one’s willingness to “stand up for what is best for the profession—for the organization—despite the consequences to yourself” says Susan Sarfati, president and CEO, The Center for Association Leadership and executive vice

president, American Society of Association Executives, Washington, DC. “If doing so means that, for the good of the organization, you have to disagree with your board, then so be it. You have that responsibility,” says Sarfati.

“Go back to the basic tenants and principles that you learned at granddad’s knee,” says Billy Tauzin, president and CEO, Pharmaceutical Research and Manufacturers of America, Washington, DC. “This doesn’t guarantee that you’ll get what you want, that you’ll be appreciated for the outcomes, or that you’ll have the unanimous concurrence of all those around you. But it does mean that you can stand in the storm—and still be standing when the storm dies down.”

Realize that in these firestorms, some decisions just won’t feel right; indeed, you may have to make decisions that are actually counterintuitive to you. At such times, key audiences know that you’re facing pivotal decisions, and they’re holding their breath waiting to see what you will do. “Remember,” says Marks, “your behavior defines you. Make sure they see what you want them to see.”

“This is provocative stuff for the reflective CEO,” says Saggese. “In pivotal decision making, you must be able to inspire confidence, which requires that you have confidence, which comes from knowing who you are and what you stand for before the pivotal decision is ever needed.” **an**

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## AT A GLANCE

This article is based on interviews with nine CEOs and two executive vice presidents representing both trade and professional associations. The most frequently cited circumstances for pivotal decisions included

1. Leadership transitions or internal restructuring;
2. Threatened loss of key staff at crucial times;
3. Mission-relevant requests from board members that would cause significant cost overruns, delays, or substantial rework;
4. Poisonous, alienating behaviors from those whose results, political connections, or dues are crucial to the organization;
5. Operationally intrusive boards.

A decision is pivotal if any of the following is true:

- A significant degree of risk, exposure, or uncertainty surrounds the decision. Failure in some form is a distinct possibility.
- Some form of change will follow, with the decision itself being a catalyst for or a precursor to some set of next steps.
- Radial impacts will ensue from the decision, affecting one or more of the following: the responsibilities or careers of individuals, organizational structure or operations, internal policy, or your reputation as a leader.
- None of the choices attendant to the decision includes a win/win with all options having some advantage. Instead, pivotal decisions are so because they are either win/lose, with considerable distance between the best possible and worst possible outcomes, or lose/lose, forcing a choice between two or more equally negative outcomes.