

# Is courage the key to good business decisions?

'Whenever you see a successful business, someone once made a courageous decision.' — Peter F. Drucker

A

Successful business decisions have been analysed and dissected a multitude of times in an attempt to provide a roadmap for effective decision-making. So, why is it that so many people are still frightened of making the wrong decision? They seem to have forgotten that you can only make the best decision you can with the knowledge you have at any one point, and it can only then be declared a good decision further down the line if the required results are achieved.

B

All decision-making by nature involves a certain amount of risk because no one can accurately predict the future. An individual can try to limit those risks by assessing all the factors surrounding each decision, but many external factors are out of their control, especially in today's globally connected businesses. What is happening on the other side of the world can affect a business thousands of miles away. Decision-makers, therefore, need to accept that they may never make a perfect decision.

C

As Drucker observed, business leaders sometimes have to make *courageous* decisions. Nevertheless, these should not be confused with making rushed or reckless decisions – it should be a calculated risk. Moreover, successful

decision-makers are not scared of making mistakes, instead they learn from them. They maintain a positive outlook even when things do not go according to plan, and are able to pick themselves up and quickly find ways of resolving the situation.

D

Successful decision-makers do not shy away from making a difficult decision, and they do not worry about losing face if a problem arises as a result of one of their decisions. Good decision-makers are constantly looking for the root cause of any problem and seeking to find a real solution and not just a temporary fix. They consider the health of their organisation first, rather than their own image or reputation.

E

Today, the pace of change is faster than ever before and people may feel under pressure to make decisions more quickly than they would like. However, there is much more information available at the touch of a button so there is no excuse to be out of touch with what is happening globally. Decision-makers need to use all the knowledge at their disposal, but without becoming overloaded with irrelevant information.

## 1 Read the article quickly. Which paragraph mentions:

- 1 putting the business before the individual? \_\_\_\_\_
- 2 remaining optimistic at all times? \_\_\_\_\_
- 3 assessing the success of a decision? \_\_\_\_\_
- 4 utilising all available data? \_\_\_\_\_
- 5 understanding the impact of the global economy? \_\_\_\_\_

## 2 Read the article again and decide if these statements are *true* (T) or *false* (F).

- 1 Many business people often lack confidence when making important decisions. \_\_\_\_\_
- 2 Good decision-makers know their decision will always lead to the desired outcome. \_\_\_\_\_
- 3 The interconnectivity of global business makes it more difficult to make decisions with certainty. \_\_\_\_\_
- 4 Making quick decisions is the sign of a good decision-maker. \_\_\_\_\_
- 5 Good decision-makers are not concerned about how people will judge them if they end up making a bad decision. \_\_\_\_\_
- 6 Good decision-makers are only concerned with short-term solutions. \_\_\_\_\_
- 7 Decision-makers have to be selective about what information to consider. \_\_\_\_\_

## 3 What is the purpose of the article?

- a to explain why some people cannot make good decisions
- b to encourage decision-makers to take more risks
- c to demonstrate how successful decision-makers operate