Making Better Decisions

Lesson 5-7: Recovering from a Bad Decision



Discussion Guide – Confidentiality Reminder One Word Check-in

Update – Personal, Business, Leadership

"But Jonah ran away from the Lord and headed for Tarshish. He went down to Joppa, where he found a ship bound for that port. After paying the fare, he went aboard and sailed for Tarshish to flee from the Lord. ... Now the Lord provided a huge fish to swallow Jonah, and Jonah was in the belly of the fish three days and three nights." Jonah 1:3, 17 (NIV)

Everyone makes bad decisions. It is unavoidable; even extremely smart people make bad decisions at some point in their lives. The challenge becomes, how do we recover when we inevitably make a poor decision? We must decide ahead of time how we will respond. This is one of the biggest issues we face in our personal lives and careers.

Deal with a bad decision as soon as possible. There are mental and emotional barriers to dealing with a poor decision. Pride, procrastination, fear and ego are just a few of the hurdles we must overcome to deal with the decision. Responsible people and good leaders know that dealing with a poor decision as soon as it is recognized is the best path forward. Likely, as time goes on, recovering from and correcting the decision will become more difficult, if not impossible.

Own the bad decision. Don't point the blame to someone else even if it was someone who works with you that made the decision. Even if you are the boss, you had a role in how you led that allowed the poor decision. When a leader owns a bad decision, it makes a powerful statement to the organization that can result in gaining more influence. If possible, owning the bad decision should be acknowledged to the team and an apology given to those personally impacted.

Decide a path forward and move on. It is impossible to move the clock back and change a poor decision; however, we should do our best to pivot to a better path forward. A careful review of potential options while getting input from others is important. Be patient in defining a new path forward but do not procrastinate. At this point, there must be clear communication on the change of direction and why. Once a decision is made, move on, and do not dwell on it. For people that are "feelers" this can be difficult, but regardless of our personality preferences, the quicker we decide to move on the better life will be.

Learn and share what you learned. It is one thing to make a bad decision. It is quite another to make the same bad decision again. If you learn from your mistakes, you gain wisdom. Wisdom requires us to help others learn. The single biggest detriment to gaining wisdom and sharing it with others is having too much pride to admit a mistake.

Shared Experiences:

- Can someone share a decision that looked good at the time, but turned out to be a poor decision? How did you correct the decision?
- How have you seen leaders that you know own or not own bad decisions? Did they blame others or accept responsibility?
- Any decision requires making assumptions. Does anyone have any stories about their analysis being correct, but their assumptions were wrong?
- Many decisions affect people in negative ways. How have you seen poor decisions effect you or others?

Bottom line: Every decision we make affects the rest of our lives, but no decision is fatal. Fleeing as Jonah did was a poor decision, but God provided him the opportunity to correct his mistake in the unexpected form of three days in the belly of a whale. When we first recognize we made a mistake, we must be humble enough to admit it, then take the best corrective action available that is consistent with our values.

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Dig Deeper

Want to learn more?

- Article: What to do When You've Made a Bad Decision by Dorie Clark published in the Harvard Business Review, August 11, 2016
- Article: <u>A Bulletproof Way to Deal with Bad Decisions</u> by Thomas Koulopoulos published in Inc.com
- Video: How to Recover From Big Mistakes by Donald Miller
- Video: What to do when an employee makes a mistake published by Leadership Rollcall with Michael Finley
- Video: When a Mistake Defines You by Donald Miller
- Article: Warren Buffett Shared the Best Leadership Advice. It's the Missing Key to Building Trust One small detail that can make a world of difference by Kelly Main published in Inc.com

Some contemporary poor decisions

Elon Musk and Twitter

In October 2022, Elon Musk purchased Twitter and took it private. His rationale was that it should allow free speech no matter what it was. This, in some aspect, was due to Donald Trump being removed from Twitter. While this may be noble (or may not be), the reality is he did not understand the company, how it worked and how it made money. In the month following the purchase, the company's income plummeted. As a result, Twitter laid off half of its workforce, according to <u>Reuters</u>. Clearly, Musk made a poor decision that impacted thousands and thousands of staff and their families. To date, Musk has not apologized or acknowledged that he made a mistake.

Somewhat surprisingly, the Twitter purchase also had an adverse effect on Tesla stock, dropping it by 22%. Musk had to sell \$4 billion worth of Tesla stock to cover the Twitter deal.

Mark Zuckerberg and Metaverse

With great fanfare, Zuckerberg announced on October 28, 2021, that Facebook's name would change to Meta and the company's focus would be on the "metaverse." The closing of his <u>letter to Facebook staff</u> stated the following:

I'm dedicating our energy to this — more than any other company in the world. If this is the future you want to see, I hope you'll join us. The future is going to be beyond anything we can imagine.

One year later, Zuckerberg admitted he made a mistake. Meta's value decreased by 69% since its peak in 2021, resulting in 11,000 staff layoffs. There are likely more layoff's coming, according to <u>Market Watch</u>.