



Defining and De-mystifying discerning decision-making (definitely)



What is discernment?

“Discernment is about opening ourselves up to seek God’s will for us and determining what is best in terms of CHI’s mission and core values and the continuation of the healing ministry of Jesus.”

Long list of “discernment-worthy” dilemmas!

- With whom can we partner?
- Governance structure amidst new partnership environment
- Can we be “big” and “caring”?
- Keeping the poor and under-served at forefront of our discussion
- Managing financially under-performing hospitals
- Individual treatment cases (arise at hospital rather than system level)

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But ‘discerning heart and habits’ needed for *all* our choices!

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Discernment process: underlying theological ideas:

- We are stewards (strong mission, stakeholder sensibility)
- God’s will can be known to us
- Each person uniquely dignified

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How translate belief to process?

- Prayer at critical inflection points
- “Holy indifference” as to outcome
- Attention to mission, values, Catholic social teaching, gospel message
- Moments for quiet reflection
- Deep respect for others’ opinions
- “Bringing the question/decision to God”

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Gee, most of that is decision-making best practice!

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We humans can be *terrible* decision-makers:

Merger deals, “fail to produce desired results nearly 75% of the time.”

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“...limited evidence of the success of corporate mergers has been documented. The vast body of academic research demonstrates that most mergers add no value or reduce shareholder value for the acquiring firm. ..Overconfidence and optimism have come to the forefront as the most common behavioral explanations for the continued prevalence of ill-advised mergers. ..and a different type of behavioral bias--confirmation bias.

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THE JAM PHENOMENON



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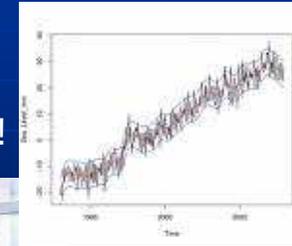
Confirmation bias...

= selective search for evidence

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Illusion of Control...

I'm a genius!!



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Planning fallacy...

"...on average, planners overestimated how many people would use the new rail projects by 106%, and the average cost overrun was 45%..."

[Kahneman, 250]

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A coping mechanism...become wiser and more discerning...

"..*wisdom*, which ancient peoples understood to evoke the *combination of both heart and mind in reaching a decision*." (The New York Times, May 6, 2007)

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5 habits of highly discerning people....

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Five habits of discerning people:

1. Daily reflection
2. Multiple (and higher) perspectives on decisions
3. Listen reverently
4. Use head *and* heart
5. Recognize unhealthy "attachments"

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See, for example, Frank Harrison

A daily reflection habit...twice a day....five minutes:

1. Why are you **grateful** today?
2. What **objective or personal issue** do you want to focus on these days?
3. **Review the last few hours** and take away some lesson to help you in the next few hours

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2. Multiple approaches/higher perspective on decisions:

- Pros and cons, present value, etc
AND
- Read the values-mission as part of the process
AND
- Pretend you are looking back on the decision from your deathbed
AND
- Get an impartial mentor's input

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3. Listen...

- "Speak their truth courageously, in deep reverence for each person.
- Listen attentively to the perspectives of those whose viewpoints may differ from their own.
 - Open their hearts carefully to hear God's deepest wisdom in the voices of those around the table."
 - [From CHI's discernment manual]

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4. Use head *and* heart together:

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"Some of it is structural....some of it is by gut"

[CEO, McDonald's, on selecting candidates for promotion]

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Table Discussion...

Can anyone think of an experience where:

Inner peace or courage helped convince you that a difficult choice was the correct one?

Anxiety or doubt helpfully prompted you to reconsider a proposed choice before moving forward?

25

"The higher they climb the corporate ladder...."

"...the more they'll need well-honed business instincts. Intuition is one of the X-factors that separate the men the boys."

[Harvard Business Review]

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Ignatius's description of consolation

"courage and strength, consolations, tears, inspirations, and tranquility...makes things easier and eliminates all obstacles..."

"love, joy, peace, patience, kindness, generosity, faithfulness, gentleness, and self-control" (Galatians 5:22-23)

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....and of desolation

"Obtuseness of soul, turmoil within it, an impulsive motion toward low and earthly things, or disquiet from various agitations and temptations."

[Further reference:
IgnatianSpirituality.com "Making Good Decisions" tab.]

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- Peace, tranquility, courage + mission/values consistent = powerful affirming signal!
- *Courage but mission/values inconsistent* = ?? What's wrong?
- Anxiety, doubt, confusion but mission consistent = dig deeper; what is happening?
- Anxiety, doubt, confusion *and* mission *inconsistent* = Don't do it!

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5. Become free from unhealthy attachments:

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"You're still not detached enough from self. You're still concerned with having a good reputation. Only when the ego has been trampled underfoot can one be fully and truly free."

[Pope John XXIII]

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As we approach a choice, we "ought not to lean or incline in either direction but rather, like while standing by like the pointer of a scale in equilibrium..."

(Spiritual Exercises)

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We often make bad decisions because of “unhealthy attachments”:

- Greed
- Pride or arrogance
- Status
- Desire to be in control
- Fear of “speaking truth to power”
- Old loyalties...or old enmities
- Willful ignorance

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A “case study” to imagine how “attachments” can cloud judgment:

34

Did unhealthy attachments destroy this company's value?

2007: \$270
Billion



2009: \$20 Billion

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“ ‘Mr. Risk Manager’ ..was supposed to keep an eye on the bank’s bond trading business...but ‘Mr. Risk Manager’ and ‘Mr. Head Trader’ were old friends, having climbed the bank’s corporate ladder together...The two men took occasional fishing trips together....”

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"their friendship raised eyebrows inside the company among those concerned about its controls..."

"Risk management has to be independent, and it wasn't independent ..." said one former executive.

37

"When [the new chief executive] was put in charge in 2003, he presided over a mess of warring business units and operational holes..."

[According to one bank analyst], "The businesses didn't communicate with each other."

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The chairman of the bank's executive committee was asked if he made any mistakes:

"I've thought a lot about that...In hindsight, there are a lot of things we'd do differently. But in the context of the facts as I knew them and my role, I'm inclined to think probably not." [i.e. he doesn't think he made any mistakes]

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" 'Mr. Head Trader' became one of the bank's most highly compensated employees, earning as much as \$30 million at the peak---far more than top executives..in the risk-management department."

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One employee's assessment:

"I just think senior managers got **addicted to the revenues and arrogant about the risks** they were running....As long as you could keep growing revenues, you could keep your bonus growing."

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"While the sheer size of [the bank's] [risk] position caused concern among some around the trading desk, **most say they kept their concerns to themselves.**"

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What "attachments" might have led these executives into bad choices?

Greed

Old loyalties...or old enmities



Desire to be in control



Status

Fear of "speaking truth to power"

Pride or Arrogance



Willful ignorance

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Discussion:

Discuss some current situation where "attachments" could lead to a bad choice

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Practical tips for groups...

1. Chair or facilitator calls a "spiritual time out" when we are in circles or argumentative, "Let me invite us to a moment of silence here....see how God may be working...remind ourselves of what we are ultimately about here...."

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Practical tips...

2. Check for spirit's movement at difficult moments, "Maybe we could each identify where we are feeling "areas of light" and "areas of shadow or darkness" right now"....then share those ..."

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Practical tips....

3. Before we get into the discussion, maybe we could identify some "attachments" that could trip us up if we are not careful...

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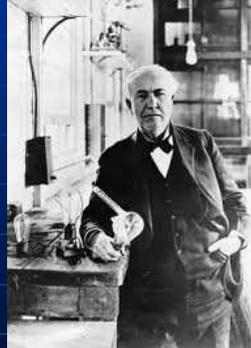
Five habits of discerning people:

1. **Daily reflection**
2. Multiple (and higher) perspectives on decisions
3. Listen reverently
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**Vision
without
execution is
hallucination**

Thomas Edison, d
1931, inventor of
phonograph and long-
lasting light bulb

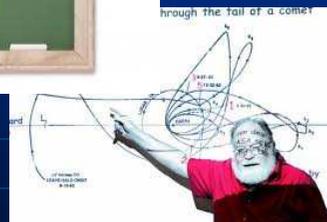


**“Strategy is for amateurs.
Implementation is for
professionals.”**
[an old army adage]

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**“THE MOST
SUCCESSFUL
PEOPLE
ARE THOSE WHO ARE
GOOD AT PLAN B.”**
-- JAMES YORKE

James Yorke,
mathematics professor
and developer of
“Chaos Theory,” b.
1941



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**Five dimensions of an
“execution mindset”...**

- Focus
- Break big challenges into “bite-sized” ones
- Real-time feedback
- Be accountable
- Remind yourself what’s important

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Break Big Challenges into Small Ones!



53

Get real time feedback!



54

Remind yourself what's ultimately important...



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The Jesuit tradition gives us a wonderful execution tool

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Two or three times a day, take five minutes:

1. Why are you **grateful** today?
2. What **objective or personal issue** do you want to focus on these days?
3. **Review the last few hours** and take away some lesson to help you in the next few hours

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In St. Ignatius's words:

- *The First Point* is to give thanks to God our Lord for the benefits I have received.
- *The Second* is to ask grace to know my sins and rid myself of them.
- *The Third* is to ask an account of my soul from the hour of rising to the present *examen*, hour by hour or period by period; first as to thoughts, then words, then deeds....

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- *The Fourth* is to ask pardon of God our Lord for my faults.

- *The Fifth* is to resolve, with [God's] grace, to amend them. Close with an "Our Father"

[#43 (p. 38), George E. Ganss, S.J., trans.1992, The Institute of Jesuit Sources]

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Leading Change--guidelines

Error #1: Allowing Too Much

Complacency – Have you created urgency for change before plowing ahead with your program?

Error #2: Failing to Create a Sufficiently

Powerful Guiding Coalition – Several individuals, including members of the senior team, **MUST** be committed to your program's success. [John Kotter, *Leading Change*]

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Error #3: Underestimating the Power of Vision – A “plan” will not substitute for a well-articulated *vision* that everyone can verbalize easily and understand

Error #4: Under-communicating the Vision by a Factor of 10 – A one-time communication event or retreat is not sufficient to ensure buy-in. Consistently, creatively and relentlessly communicate the vision

Error #5: Permitting Obstacles to Block the New Vision – Obstacles can be organizational structure, procedures and policies, or supervisors and managers who resist the new change and therefore block the efforts.

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Error #6: Failing to Create Short-term Wins – Transformation takes time and therefore short-term wins must be part of the strategy. Plan short term wins and celebrate milestones

Error #7: Declaring Victory Too Soon – New methods and workflow takes time to sink deeply into the culture; reinforce the vision long after the project plans are completed

Error #8: Neglecting to Anchor Changes Firmly in the Corporate Culture – When the next generation of leaders adopts the vision, then it becomes “the way we’ve always done things.” Prepare leadership successors and new arrivals to champion the vision.

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