

# ADAPTIVE DECISION-MAKING

By Sid Heal

All crises are fraught with uncertainty. While uncertainty must be reduced to the maximum possible extent, it can never be completely eliminated. Accordingly, efforts will always be necessary to deal with the unexpected. Effective leaders are compelled to continually improvise, innovate and adapt to ever-changing circumstances. The most successful leaders are able to both anticipate a change and promptly deal with it. Developing these types of leaders then becomes an imperative.

The concept of *adaptive decision-making* is best understood as the mental process of effectively reacting to a change in a situation. In the simplest terms, it refers to problem-solving. There are three major factors involved. First, the essence of the concept is a behavior change. Obstinate continuing a course of action despite significant changes in the circumstances is not adaptive even if it is effective. Second, whatever responses are employed must be effective. It makes no sense if they make things more difficult. Lastly, any response must be in reaction to a change of circumstances. Change for its own sake is not adaptive.

Whether leaders are adaptable and to what extent can be attributed nearly entirely to three factors, all of which are present in every instance. The first involves the personal traits and characteristics of a particular leader. Every leader has a unique and infinitesimal combination of knowledge, experience, education, courage, skills, imagination, intuition, ingenuity and other attributes. These work singly and in combi-

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nation to inhibit or foster effective reactions. The second is the organizational rules, norms and culture that encourage or discourage adaptive behavior. Organizations that dogmatically punish failure are not conducive to experimentation or exploration. Understandably, leaders that emerge from this type of environment are reluctant to deviate from norms. The third is the extent that a person is trained to recognize and adjust to changing circumstances. This last factor is particularly important because of the implied potential for increasing creativity, ingenuity and effectiveness by preparing people to lead in chaotic and ever-changing situations.

While much study has been done on developing skills to enable people to “think on their feet,” definitive methods have yet to be identified. Undoubtedly this is partly because training is only one of the three factors involved. By nature, some people are more bold

and imaginative than others and so they enjoy natural advantages. Likewise, some organizations are more accepting of risk than others and so even leaders with average abilities enjoy advantages over exceptionally endowed people but who find themselves operating under a discouraging or threatening administration. It does appear, however, that training can enhance abilities to adapt, both individually and organizationally.

The most critical aspect for enhancing organizational adaptability is with a nurturing environment. Organizations who routinely encourage and reward creativity, ingenuity and innovation not only encourage such practices among those assigned but serve to attract those who desire to work in such an environment. Of particular note is that simply providing a policy to that effect is ineffectual. It is only in practice that the culture becomes relevant. The most nimble-minded people are also the most perceptive of hypocrisy and will not miss any disparity between policy and practice.

It is with improving abilities in individuals, however, that training appears most promising. Studies of leaders who seem particularly adept in this area reveal two fundamental processes in sequence. The first is that they have an existing pattern from training or experience, even if only remotely similar, from which to draw upon. They mentally compare the present problem with this existing mental image, which in turn provides insight and ideas of what might work. In other words, they have developed intuition. The second is they

do not accept the idea at face value, but rather conduct a mental simulation which allows them to mentally compare and “test” their intuition with the present circumstances. This mental simulation includes an action sequence in which one state of affairs is transformed and compared with another. In this manner, effective adaptive decision-makers can be best understood to have thought the problem through further than others.

When developing a training program for adaptive decision-making, two principles have proven especially beneficial. The first is to expose students to challenging scenarios simulating those expected to be encountered and which are designed to incorporate a need to recognize and adapt to a

change in the situation. These are normally done in one of four ways: moderated discussions, practical applications, decision-making exercises and free-play exercises.

Regardless of the format of the training, the most fundamental requirement is that there is at least one change in a situation sufficient enough to challenge the status quo. As the training progresses and students become bolder, different situations are added and more varieties of change are injected, even to include the bizarre. Each of these altered states widens the scope and deepens the depth of all participants’ understanding and serves as experience for other situations in the future, including real life ones. This is because humans naturally

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seek satisfactory resolutions and avoid actions and decisions that have already proven unproductive. They become experts in a particular problem and setting because they have the advantage of having already thought through the problem — even if it was only hypothetical. The critical aspect of this training for the students is not just the process but the feedback. Feedback includes input, criticism, suggestions, comparisons and other types of collaborative problem-solving that is a necessary part of human understanding. Especially important is recognizing the need for change because diagnosis has proven to be among the most difficult skills to teach.

The tactical leaders most readily able to adapt are not only agile in thought but deeply immersed in the supporting science. They are fully aware of human limitations and possess domain specific knowledge which enables them to more quickly identify problems. They have developed a wide repertoire of experience from both actual incidents and training. Perhaps most importantly, they remain focused on the end state regardless of problems and setbacks. It is no surprise that despite the worst possible circumstances they seem to be successful more often than not. ■

