

URL: <https://stvp.stanford.edu/clips/how-to-make-good-decisions>

Stanford University President Marc Tessier-Lavigne shares a few strategies for how to increase the likelihood of making good decisions when there's no "right" answer: turn to the best minds on your team and be rigorous when weighing different ideas. He warns against paralysis by indecision and says to always provide a clear rationale, as well as be prepared to course correct if you're wrong.



Transcript

- Decision making.. This is something that, again, everything I know I learned at Genentech, I like to say.. Big focus on decision-making.. And all of us in our lives, whether it's in the research that we do, in our teaching, whether it's in starting a company or working in a company, we'd always like to make, at every turn, the right decision, wouldn't we? Anybody like to make the wrong decision? No? No, I don't see any hands.. So, we always wanna make the right decision.. But very, very, very, often, you don't know what the right decision is.. So then, in drug discovery, where it can be 13 years from idea in the laboratory on average, to a drug approved by the FDA, many billions of dollars, there is huge attrition.. Most of the ideas you start with turn out to be the wrong idea.. So often you don't know what the right decision will be.. And so what do you do, if you don't know what the right decision will be? Well, what we strive to do at Genentech and what we strive to do in my life going forward is to, if you can't be certain that you're going to be right, then you try to make good decisions..

I'm going to distinguish the right and wrong decisions versus good and bad decisions.. So how do you make a good decision? The way you make a good decision is building on the team of great people who you empower and whose ideas you solicit, you have to create an environment of open exchange.. You discuss the issue with the very best minds that you have, and then take the best information and then try to have a rigorous process of decision-making based on that.. Not consensus.. Often, with the most difficult issues that we tackle, there can be many different views about what the best decision is, so you have to hear them all.. But you have to be rigorous about it and importantly, once you've made the decision, provide a rationale.. If you agree with the majority, explain to the minority why it is that you're gonna go with the majority.. If you go with the minority, even more important to tell the majority why you are going with the minority opinion.. And if you go with an opinion that's different from both the majority and minority, then it's really important to explain why you're going with neither of their points of view.. But consistent, good decision-making, bringing together the best people and providing strong rationale for why you make the decisions tilts the probabilities in favor of making the right decision..

That's the theory, that if you work hard at making good decisions, which is under your control, you're more likely to make the right decision.. And by the way, to have a clear rationale.. Then, if you realize down the road that it was not the right decision, you're alert to this and you can course-correct.. So you have to be ready to course-correct, as well..