DECISION CHAOS

The Leaf

A century before risk frameworks colonised the language of governance, Ambrose Bierce wrote what is still the most accurate description of organisational decision making ever published. It appears under the entry for the verb "decide" in The Devil's Dictionary:

> *"Decide. To succumb to the preponderance of one set of influences over another set."*

The accompanying poem makes the point with more colour:

> *A leaf was riven from a tree,*
> *"I mean to fall to earth," said he.*
>
> *The west wind, rising, made him veer.*
> *"Eastward," said he, "I now shall steer."*
>
> *The east wind rose with greater force.*
> *Said he: "'Twere wise to change my course."*
>
> *With equal power they contend.*
> *He said: "My judgement I suspend."*
>
> *Down died the winds; the lea, elate,*
> *Cried: "I've decided to fall straight."*
>
> *"First thoughts are best?" That's the moral;*
> *Just choose your own and we'll not quarrel.*
>
> *Howe'er your choice may chance to fall,*
> *You'll have no hand in it at all.*
>
> *— G.J., in Ambrose Bierce, The Devil's Dictionary, 1906*

The leaf experiences itself as deciding. At each moment it announces a destination and explains the reasoning that produced it. The reader sees what the leaf cannot: that the leaf is being acted upon by competing forces, and that the announced reasoning is post-hoc rationalisation of whichever force happens to dominate at the moment of announcement. When the winds die, the leaf falls where it would have fallen anyway and calls that result a decision.

This is not a poem about leaves. It is a poem about us. How often have you sat in a meeting where a decision was reached, and watched the participants explain the reasoning that produced it, while quietly wondering whether the reasoning had anything to do with the outcome at all? The board approving a strategic acquisition, the committee selecting a vendor, the leadership team setting next year's priorities; each announces a destination and explains its reasoning, and each is, often as not, the leaf.

Decision Chaos is recognising that we cannot stop being the leaf, but knowing there is a difference between being the leaf and knowing you are the leaf, and the difference matters.

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Chaos

In physics, Chaos is defined as:

> *"behaviour so unpredictable as to appear random, owing to great sensitivity to small changes in conditions."*

It is common to think the world is unpredictable because it is complicated. Edward Lorenz, a meteorologist testing a simple model of heat convection, noticed that the tiniest changes in starting conditions produced wildly different weather a few days later. He called it the butterfly effect: the idea that the flap of a butterfly's wing in one place might, through a long chain of consequences, change the weather somewhere else. The system is not unpredictable because it is complicated. It is unpredictable because it is sensitive.

This matters because the everyday language of business has gone in the opposite direction. When an unexpected outcome arrives, leaders reach for "perfect storm," as though the unpredictability required a rare convergence of dramatic forces. The phrase is comforting because it implies that ordinary conditions are safely predictable and that only the extraordinary catches anyone out. The opposite is closer to the truth. Ordinary conditions are sensitive, ordinary inputs produce extraordinary outcomes, and no storm is required. The leaf does not need a storm. A breeze is enough.

For most individuals responsible for delivering business results, the definition of Chaos can invoke an image of an organisation out of control, creating random, unpredictable and unexpected results. Certainly chaos can lead to anarchy, but if managed and embraced it can kick off a creative process and lead to random discoveries that otherwise would have passed us by.

Consider the microwave, accidentally discovered by Percy Lebaron Spencer in 1945. While working on the manufacturing of magnetrons for Raytheon, Percy noticed the chocolate bar in his pocket melting; realising he might be onto something, he placed a bowl of popcorn in front of the device and it quickly popped.

Or Sir Alexander Fleming's discovery of penicillin while researching the staphylococci bacteria. In 1928, Sir Fleming noticed that one of the glass culture dishes he had accidentally left out had become contaminated with a fungus. Later he noticed that the bacteria seemed unable to grow in the area surrounding the fungal mould. At the time it was not given much attention, but in 1945, after further research by several other scientists, penicillin could be produced on an industrial scale, changing the way doctors treated bacterial infections forever.

And of course do not forget the climactic discovery made in 1992, when testing of a new angina drug produced firm evidence of a sexual side effect that became Viagra and a new opportunity for pharmaceuticals.

Chaos can create inefficiencies and unexpected outcomes that cost energy, time and capital. It can also produce innovation that no planning could have anticipated. The devices we carry in our pockets are themselves a study in the trade-off. They generate opportunity at extraordinary rates and they generate chaos at the same rate, our instinct is to reach for control.

None of which is to say chaos can be controlled. You can manage chaos when it appears, and you can accept chaos that you cannot manage, but the conditions themselves are not in your gift. This is uncomfortable for organisations that have built their governance around the idea that uncertainty is a problem to be solved. It is, however, the situation. The winds are going to blow. The question is what kind of leaf we want to be when they do.

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Going with the Current

Chaos is not the enemy. It is the medium we work in, and more often than we admit, it is the route to outcomes we could not have planned. Penicillin was not on the agenda. Neither was the microwave. Neither was Viagra. The best things often arrive by routes the planning would have closed off, and the people who recognised them were the ones who noticed something unexpected and followed it instead of correcting course.

There is a habit of mind here worth naming. When the unexpected arrives, the first instinct is to push back against it, to restore the plan, to get things under control.

Sometimes that is right. Often it is not. The unexpected is information. Treat it as a problem to be eliminated and you eliminate the information and innovation with it.

Think of it as a question of which boat you are in. When the current is carrying you somewhere you did not plan to go, the choice is to panic and fight it, or to look around and see where it might take you. Fighting is exhausting and rarely works. Going with the current is uncomfortable but often productive. The current does not know your destination, but it knows the water better than you do.

This is not a counsel of passivity. You still steer. You still watch for rocks. But you do not treat every unplanned drift as a failure of the plan, because some of those drifts are the best information you will ever get. Decision Chaos is the discipline of telling the difference between a drift worth correcting and a drift worth following.

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Decision

In this world of chaos we still need to be able to make decisions. The Oxford Dictionary defines a decision as:

> *"a conclusion or resolution reached after consideration."*

"After consideration" is the apex where things fall apart. Too much time spent on consideration, or analysis, can result in no decision, or a decision that arrives too late to matter. Not enough analysis on big decisions produces poor quality decisions. Consideration of irrelevant data leads us in the wrong direction. Companies often have significant amounts of data collected and stored in corporate databases, yet many do not use this data efficiently or have not leveraged technology to make efficient use of it.

We also need to consider the human factor in arriving at a conclusion. We need to understand our own biases, behaviours and frames, as well as those of the individuals who execute or influence our decisions. Not to mention that decisions are shrouded in uncertainty, with the outcomes hanging in the balance.

The coming together of randomness sensitive to change and the need to reach conclusions after consideration is Decision Chaos, which can best be defined as:

"an ability to reach conclusions after consideration of available information and in concert with uncertain behaviours that appear random and sensitive to change."

This is the discipline the leaf lacks. The leaf reaches conclusions, but it does so without consideration, because the leaf has no awareness that the winds are acting

on it. An organisation that does not recognise the conditions is in the same position. It will reach conclusions, announce reasoning, and call the result a decision. Whether the conclusion was actually a decision, in the sense that the Oxford definition requires, is another question.

Decision Chaos is the practice of being a different kind of leaf. One that knows the winds are blowing. One that understands that small changes in conditions can produce large changes in outcomes. One that reaches conclusions deliberately, with awareness of the sensitivity of the conditions, and that does not mistake the resolution of competing influences for the exercise of judgement.

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Decision Quality

If the conditions around a decision are sensitive to inputs that no individual controls, and if outcomes depend on those inputs as much as on the deliberation that produced the decision, then judging the quality of a decision by its outcome is unreliable. This is the load-bearing claim and it is the one most people resist.

Two decisions with identical reasoning can produce different outcomes because their conditions differed. Two decisions with sound reasoning and unsound reasoning can produce identical outcomes because the conditions compensated. Outcome-based evaluation cannot distinguish between the two cases. It is therefore not a measure of decision quality. It is a measure of luck.

Bierce, again, saw this clearly. His entry for the noun outcome reads:

> *"Outcome, n. A particular type of disappointment. By the kind of intelligence that sees in an exception a proof of the rule the wisdom of an act is judged by the outcome, the result. This is immortal nonsense; the wisdom of an act is to be judged by the light that the doer had when he performed it."*
>
> *— Ambrose Bierce, The Devil's Dictionary, 1906*

Decision quality, properly understood, is judged by the reasoning available at the moment of decision. Was the problem defined? Were alternatives considered? Was the available information used? Were the assumptions surfaced and tested? Was the conclusion proportionate to the confidence the analysis warranted? These are questions about the decision itself. They can be answered by inspecting the reasoning, and they are not contaminated by the inputs that came afterward.

This is the constructive turn. Decision Chaos is not just a diagnosis of how decisions actually get made. It is an argument for how they should be evaluated. Judge the light the doer had at the time. Reward sound reasoning under uncertain conditions. Stop treating good outcomes as proof of good decisions, and stop treating bad outcomes as proof of bad ones. The conditions do too much of the work for that arithmetic to hold.

An institution that judges decisions by outcomes will reward luck, punish unluckiness and produce a population of practitioners optimising for the appearance of correctness rather than for the quality of reasoning. That is the institutional habit Bierce identified more than a century ago, and it has become more entrenched rather than less in the intervening time. Reversing it is the work of Decision Chaos, and the work begins with the recognition that decisions are not the same thing as outcomes and never have been.

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A Word on New Ideas

None of this is, strictly speaking, new. Bierce had the diagnosis in 1906. Lorenz had the butterfly effect in 1963. The high-reliability organisation researchers have been documenting practices aligned with Decision Chaos since the 1980s. The pieces have been on the table for decades. The argument here is that they belong together, and that the discipline they describe deserves a name.

Arthur C. Clarke once observed that new ideas pass through three periods:

> *"1) It can't be done. 2) It probably can be done, but it's not worth doing. 3) I knew it was a good idea all along."*
>
> *— Arthur C. Clarke*

Clarke is describing the leaf from a different perspective. An idea arrives, the wind blows against it, we announce a position. The wind shifts, we announce a new one. The wind dies, we claim we knew the answer all along. Bierce watched a leaf and saw it. Clarke watched the reception of new ideas and saw the same thing.

Recognising the pattern in ourselves is the work. The argument here is that the work is worth doing.

Decision Chaos is not a new framework, of which there are already too many, but a different way of thinking. One that observes uncertain conditions without pretending they can be eliminated. One that judges decisions by the light the doer had at the time. One that knows the winds are blowing and decides anyway.

