

Decision Making

The problem with paradox



In grammar, a paradox is a seemingly true statement or group of statements that lead to a contradiction or a situation which seems to defy logic or intuition. An example of a paradox is **'This statement is false'**: if it is, it is not; and if it isn't, it is...... A well-known project management example is Cobb's Paradox: *'We know why projects fail; we know how to prevent their failure - so why do they still fail?'* The apparently true statement is that we know how to prevent project failure, but do we really know how to make projects successful? And if we do, the illogical element is, why do we let them fail??

This concept extends into the realm of project management. Virtually every management system generates a range of contradictions that can be removed by better design; and a series of paradox that cannot be removed because both the factors that create the paradox are important, but at the same time contradict each other. This type of management paradox is defined as 'a persistent contradiction between interdependent elements that resist a simple binary choice between the elements'.

Some of the more common paradox found in most organisations include:

- The need to manage the tension between consistency (follow the rules) and flexibility (creativity to enhance outcomes)
- The need to mitigate risk to provide 'certainty' and the need to take risks to seize opportunities
- The need for planning and control and the need for agility to respond to issues
- The need for standard operating procedures to maximise quality and the need for continuous improvement to enhance quality
- The desire to grow revenues and reduce budgets.

The persistent nature of every paradox means the decision maker has to get used to living with it. Dealing with the paradox requires intuitive judgement to decide on the best balance to strike between the competing elements, in the current situation. Group decision making, diversity and consensus can help achieve the 'best' judgement call but there will always be viable alternatives; and then any change in the situation will usually require the judgement to be adjusted. The problem with any intuitive judgement is that different people will arrive at different conclusions because they apply a different reference frame to the problem¹.

The final element that makes paradox hard to live with is hindsight. Regardless of the decision made balancing the competing elements in a paradox involves a compromise and different people will have differing opinions of the optimum balance point. When circumstances at a later date show there was a better 'balance point' criticising the original decision (and the decision maker) is very easy. The 20:20 vision afforded by hindsight with all of the facts neatly arrayed rarely matches the uncertain fog that surrounded the possible futures confronting the decision maker.

¹ Each person's reference framework includes an ethical component; for more on *ethical decision making* see: <u>https://mosaicprojects.com.au/PMKI-TPI-005.php#Process1</u>





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The maths does not help either; binary decisions have a 50:50 chance of being correct and these odds can be improved by the application of good decision-making processes. A paradox presents a continuum of choice which means there is an almost unlimited array of possible options and the one chosen is highly unlikely to be the best in hindsight – the best outcome one can hope for is one that is reasonably close to the optimum.

I AM A PARADOX. NO YOU'RE NOT! EXACTLY. OHH...

This type of decision presents a real challenge to trained engineers and technical managers; who expect to find the 'right solution' to each problem they encounter; and generally, at the technical level there are 'correct solutions'. Even in the case of most dilemmas whilst there is no 'right answer' you know a decision is needed and can choose the 'lesser of two evils'. These decisions may not be the best or in hindsight even 'right' but once the decision is made you can move on. Good managers decide² – lucky ones get it right (and you can usually correct wrong decisions).

Paradoxes are in a completely different place after you have made a decision on how to balance the paradox, the paradox remains and its presence needs continuous 'watching' - there is no clear-cut solution to a paradox!

The further up the organisational ladder you move the more you will be exposed to paradox and every decision you make to balance the competing elements in a paradox will be open to criticism. It's a tough place to be!

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² For more on *decision making* see: <u>https://mosaicprojects.com.au/PMKI-TPI-010.php#Decisions</u>



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