Making tough calls

"The hardest thing to learn in life is which bridge to cross and which to burn."

Owners and managers have to be willing to do things others are unwilling to do. Leaders routinely face moral dilemmas that impact the company’s future.

They put themselves on the line when confronted with high-stakes decisions involving customers, employees and company values, along with tough calls affecting finance, growth or other challenges that demand risk.

One example of having to make a tough call might be about the tenured employee who’s been with you from day one, but now doesn’t fit. The employee, for example, may not be adapting to new formats or technologies that have changed task processes. What should you do and how do you handle it?

Another example is a customer threatening to cancel a contract if you change account managers when you know you need to make the switch. Or what if a client has received another bid (too low for you to make money on), and you’re given a choice to match the price or lose the job? How about deciding between keeping and firing your best sales person even though he or she is toxic to morale?

Some issues require an immediate action; others are less time-sensitive or fraught with emotion—these are the ones that do the most damage to a company. In the case of a long-term employee who’s no longer able to do his job but is being given what’s perceived as special treatment, the longer the decision lingers, the more it undermines team harmony.

Tough calls are not made without personal cost: You may get criticized, it may cost you relationships and you may be unpopular. But if you’re a leader or want to become one, tough calls are part of your job.

Take charge of the emotions that accompany important choices and structure your decisions around facts and key issues. Seek counsel and perspective from your inner circle, trusted advisors or peer group to get options. To make the process a little easier, make your decisions based on principles and values you believe in.

Some guiding principles might be:

› All employees will be treated honestly and fairly and be given regular feedback about their performance as team members.

› We can’t make a profit on business that we don’t have, but all business we do have must be on a path to profitability.

› We must listen to our customers but do what’s best for our business and customer base as a whole. We cannot be everything to everybody.

› We need to be aware of our competition but not copy them. We need to take what we admire and improve on it. We need to determine our own direction and let our customers guide us.

› We will treat our customer’s money as if it were our own.

There is no right way to make the right decision, but once you commit to the path, do not waffle. Take action, learn from the experience, take responsibility for the outcomes, ignore criticism if it gets in the way of your principles and move on.

Being decisive will define your leadership; if you do it well, it will take your leadership to a higher level. Be guided by values and be conscious of them when making a tough call. Think about the difficult decisions you’ve had to make in the past and how guiding principles could have made the process easier. It will help you develop the best practices you need to make the best possible decision the next time you need to make it.