STRATEGY & DECISIONS

JUDGMENT

THE ART *of* MOMENTOUS DECISION-MAKING

Lessons for Leaders Drawn from
Three Crucible Moments in History

CHRIS MAILANDER

Ironheart Publishing

Hardcover: 979-8-9879639-0-6
Paperback: 979-8-9879639-1-3
eBook: 979-8-9879639-2-0

Book design by Mayfly Design

Library of Congress Catalog Number: 2023904210

To my father (1937–2022),
who spent a lifetime
deciphering the subtle clues
separating the ordinary from the extraordinary.

Who Should Read This Book

Judgment: The Art of Momentous Decision-Making
is for strategists, planners, and leaders in
the corporate boardroom, on the battlefield,
or in government.

It is for those preparing their own judgment
for when it will matter the most.

Purpose of This Book

Judgment explores real leaders
making tough decisions
under difficult circumstances.

You will see what the leaders
saw in those moments.
You will feel what they felt.
You will share their struggles
and their fears.

You, too, will face tough decisions.
They will be made under difficult circumstances.

The purpose of *Judgment* is
to build upon their experiences.

It is to prepare you
for your own crucible moments.

Contents

Praise for *Judgment*

“Mailander deconstructs the subtle, yet powerful decision-making variables that profoundly impact a leader’s success, defining how to navigate the arduous path to critical decisions, and the strategies for communicating these decisions to a company’s most important stakeholders. The strategies set forth in *Judgment* create significant advantages for those companies seeking to compete at the highest level.”

—Mike Doyle, President & Global CEO, Ketchum

“*Judgment* is this moment’s essential read for every business and thought leader who aims to seize fast-moving opportunities, make smarter decisions under pressure, and give themselves a competitive advantage. With a profound understanding of human behavior, Chris’ thought-provoking analysis cuts through the noise to shine a light on the decision dynamics that are at play in every high-stakes moment. I wholeheartedly recommend *Judgment* to anyone seeking to enhance their decision-making skills and gain a sense of clarity in today’s hyper-disrupted world. Whether you are an entrepreneur or at the helm of a large organization, this book serves as the blueprint to unlocking not only your potential — but also that of your team, your organization, and your mission.”

—Angelique Rewers, Founder and CEO, BoldHaus

“In this extraordinary resource for global leaders developing the strategies to tackle our greatest challenges, Mailander provides the tools and methods for curating the long arc of decision-making necessary to take on our most significant societal, economic, and climate-related challenges. *Judgment* is critical reading for global thinkers and change agents.”

—Andrew Jones, Executive Director, Climate Interactive

"*Judgment* is equal parts a thrilling, suspense-filled tale of high stakes decision-making, and a sophisticated deconstruction of who won, who lost, and the lessons learned in those crucible moments."

—Robbie Bach, Former President and Chief Xbox Officer, Microsoft

"Classic Chris – his penchant for captivating storytelling is at its height in *Judgment: The Art of Momentous Decision-Making*. Aspiring and established leaders, across all walks of life, will profit from the combination of Mailander's worldly professional experience and perspective."

—Jonathan Smith, Managing Director, Fairmount Partners

"In *Judgment*, you learn how to make exceptional decisions under high pressure. This is essential reading for CEOs."

—Scott Bauer, Partner, PwC

"In *Judgment: The Art of Momentous Decision-Making*, Chris Mailander disentangles the myriad forces, inflection points, and decisions that shape the trajectory of events that lead to crucible moments. Drawing from three pivotal events—each described in vivid detail—Mailander explores how the decisions the principal actors made along the arc leading to those moments helped determine whether the players could forge successful outcomes when the stakes were at their highest. *Judgment* provides valuable insights into how to anticipate, prepare for, and make sound decisions during critical moments we will all face in our careers and lives."

—Nathan Vitan, Chief Legal Officer, Public Storage

"*Judgment* is for rising CEOs building phenomenal companies. It is for those asking how they can do more, how they can do better, and how to get it right in their critical moments. *Judgment* is for those CEOs that seek out those exceptional moments when they will be called upon to be extraordinary."

—Chris Whitney, CEO, Whitney Logistics & Miles Ahead Brands

"*Judgment: The Art of Momentous Decision-Making* is an indispensable guide for those seeking to enhance their leadership capabilities, refine their decision-making acumen and embrace the extraordinary."

—Jonathan Bowman, Certified EOS Implementer®

"Chris Mailander ushers readers into the very rooms where decisions are being made, revealing the tensions and triumphs that underpin decisive moments in history. His vivid storytelling lets us experience these moments in real-time, while not skimping on the analysis, granting unique insight into the complexities of leadership during what he terms 'crucible moments'. This is more than a CEO field guide; it's a journey into the nexus of action and consequence in high-stakes environments. A truly immersive and enlightening read."

—Eliot Puplett, CEO & Co Founder of The Medici Project

"*Judgment* provides modern strategies for growing, competing, and winning, all of which are rooted in how we make the critical decisions in business and life."

—Nick Friedman, Co-Founder, College Hunks Hauling Junk

“Mailander leverages decades of world experience to deliver a seminal work on strategy and decision-making, while simultaneously taking readers on a phenomenal journey. The lessons of *Judgment* apply without regard to nationality, geography, or culture. Instead, they are anchored in the hidden yet universal codes upon which exceptional decision-making operates.”

—Mohammad S. Qaryouti, Group CFO,
Emirates Post Group

“*Judgment* lays out a thought-provoking framework for critical decision-making.”

—Carlos Soler Duffo, CEO, TOUS

“A signal of the strength of a leader is judgment, and the ability to utilize good judgment in both small battles and long wars. Mailander offers a collection of decision-making lessons from three significant world events that leaders can use when faced with their next judgment call.”

—Scott Curtin, EY

“As a handbook for monumental decision-making, *Judgment* provides a new framework for understanding the forces which affect our decision-making in crucible moments.”

—Ana Trias Arraut, Chief Brands Officer
Carolina Herrera, Dries Van Noten & Nina Ricci

“*Judgment* is required reading for those CEOs seeking to create phenomenal value for their shareholders and employees.”

—Ted Hull, CEO, Bako Diagnostics

“The lessons in *Judgment* transcend leadership, regardless of company size, geography, or industry. It plucks out the deeper codes of judgment that are essential to great decision-making.”

—Derrick Raymond, Strategy & Corporate Development Leader

“*Judgment* is for anyone making decisions that have a global impact.”

—Ann M. Steingraeber, Senior Lawyer, Cargill

“*Judgment: The Art of Momentous Decision-Making* is a captivating exploration of the art and science behind effective decision-making. Chris Mailander skillfully presents a wide range of strategies that empower leaders to make sound and impactful decisions while steering clear of avoidable mistakes. *Judgment* is perfect for aspiring leaders, seasoned executives, and anyone seeking to enhance their decision-making capabilities.”

—Michael Morales, Chief Executive Officer, RF-SMART

“*Judgment* sets forth the strategies enabling a high-potential company to achieve its most audacious goals.”

—Joseph McMillin, Founder and Former CEO, Atlas Organics

“*Judgment* is filled with secrets that can help you during your most challenging and impactful moments.”

—Chris Larsen, Founder, Next Level Income

The Experiment

Judgment: The Art of Momentous Decision-Making is based upon an experiment. In this work, we will examine three case studies. They are:

Nuclear Brinkmanship in the Cold War, 1986

In the waters somewhere off the coast of Vladivostok, Russia, we study the command of the USS *Guardfish*, one of the US Navy's top weapons in the hunt for Soviet secrets. It is 1986, and the Soviet Union and the United States are locked in an escalating battle defined by political and military brinkmanship. Each of their respective gambits runs the risk of triggering nuclear annihilation. The moment-by-moment decisions made by the captain of the USS *Guardfish* and its crew deep below the darkened seas tell us much about preparing for crucible moments.

The Precipice of Global Economic Collapse, 2008

In 2008, the global economy teeters on the precipice of cataclysmic disaster. The core of the global financial system is melting down. Leading financial institutions are falling. One institution, however, is too big to let fail. If it implodes, it will take the entirety of the financial system and possibly the whole economy with it. Over the course of several days, the fate of the global financial system is determined by several dozen men in tense negotiations in quiet conference rooms across several blocks of Wall Street. The quickly shifting balance of power among them, affecting their leverage over one another and their susceptibility to events outside of their control, informs our own responses to those events we can and cannot control.

Crescendo in the Global War on Terror, 2015

Just before the world's leaders convene in Paris, seeking to attain the most significant multilateral commitments ever on global climate change, terrorists launch coordinated attacks across the city. Over the course of four hours, as friends and lovers dine in tiny bistros and fans cheer on their national soccer team taking on the world champion German opponent, France witnesses the greatest atrocity on its soil since World War II. We study the decisions made moment by moment in France, as well as from inside the White House Situation Room, the epicenter from which the United States' own national security apparatus stands up to defend against its newest threat. The events reveal lessons in responding to quickly changing conditions and formulating rational responses to fear-inducing circumstances.

Commonalities

In some ways, these case studies are similar:

- Each is historically significant;
- In each, the stakes are extremely high; and

- The pressure on the decision makers is immense. The level of uncertainty about the future that will unfold as a consequence of their decisions or indecision is at its greatest. The arc of history will change with the decisions they make or fail to make.

In each instance, I have talked with individuals at or near the center of the storm, reacting to or causing it, playing roles instrumental to shaping the decisions required in the very present moment. Again, there are commonalities in their experiences:

- The decisions required the height of their intellectual capabilities;
- They invoked the emotional body; and
- Their decisions and the resulting acts affected them in ways both consciously known and subconsciously perceived, and most likely affected their loved ones, their teams, and potentially the lives of millions of others wholly unaware of the catastrophic possibilities ahead.

As such, given the gravity of the moment, the individual's very being is affected. Their altered being affects their judgment. The crucible moment hangs on their judgment, for better or for worse. Consequently, the risk is high.

Differentiation

Each of these case studies is also unique.

- Each is wholly unrelated to the other and implicates dramatically different situational contexts;
- They involve different sets of actors with different backgrounds, experiences, and training; and

- They occur at unrelated times spanning three decades.

It is from this perspective of differentiation that allows us to identify and test the deeper codes and common patterns that exhibit themselves in critical moments.

Observations

This experiment reveals several overarching observations:

There are strong correlations between these deeper codes and common patterns for leadership in crucible moments.

Understanding these codes and patterns can inform our own analyses and actions.

We can build upon these strategies, lessons, and techniques.

They should be integrated into our own exercise of judgment.

In doing so, we will lead from insight and strength.

Our judgment will become exceptional in our own crucible moments.

***We will better ourselves.
We will better others.***

How to Read This Book

This book is structured in a way that will feel vaguely familiar to those who have had the dubious pleasure of attending law school, yet it is designed to be highly accessible to leaders of all backgrounds.

The first part sets forth three distinct fact patterns. These fact patterns provide characters and context. They establish what is happening above the waterline in the various crucible moments, but also tease at the tensions and drama at play subtly or not so subtly below. We become sensitized to the situational context facing leaders in their moment of challenge, as well as the dynamics of whatever game of strategy and chance is being played.

The second part digs into the characteristics, proclivities, and patterns of leadership in crucible moments, using the three fact patterns to illustrate the opportunities and pitfalls that emerge in crucible moments of decision-making.

The third part of this book is an overlay. There are ninety callouts that describe the deeper codes, common patterns, strategies, tools, and methods for your use in both preparing for and exercising judgment in your crucible moments. Each of these callouts is numbered and correlate to a comprehensive mind map that readers can download for use in developing their own playbooks.

Deeper Codes.
Common Patterns.

Common Wisdom

The fallacy of common wisdom is also borne of success. It is rational to embrace. It makes sense. It is often right, which reinforces our reliance upon it to define what we are seeing now and what we can anticipate in the future. It creates cognitive shortcuts. Our assessments and decision-making become more efficient, requiring less time and less energy. Our brain favors it. It roots down into our primal amygdala, sensitizing and desensitizing us to what we will perceive as threats and preconditioning how we will react to those threats. It then rises up into our higher orders of consciousness, shaping our executive and creative functions to create the predominating patterns upon which we build our mental frameworks.

At the same time, anchoring our decision making to the common wisdom creates points of resistance or cognitive fric-

---

72 The common wisdom is a prevailing narrative by the powers most influential to an unfolding decision arc. It is often proven wrong in crucible moments.

---

tion in our minds. To deviate from the common wisdom may require us to stand out, dissent, be rebellious, or risk being outcast. In this way, the common wisdom works to smother alternative viewpoints, limit creativity, and stifle thinking about problems through different frameworks and filters.

The common wisdom is a highly prized commodity. With ownership comes privilege. Those who successfully shape the narrative can control how money flows. They can influence how power is allocated. They can increase the probability of manifesting their envisioned future. They set the pins for the future they imagine.

Banks, for example, hire economists who issue pronouncements on where the economy is headed. As a result, their pronouncements help influence where money flows and from where it will recede. Political parties use pollsters to assess the mood of the public on issues or candidates. While doing so, they structure their queries and methods in ways that shape the narrative most favorably to their cause or candidate. Their objective is to create a perceived common wisdom that resonates with their supporters, reduces the level of cognitive effort required to accept the proposition, eliminates the cognitive friction required to consider alternative views and values, and ultimately casts a vote in favor of the politician. Regulators charged with supervising massive swaths of the economy fight to create narratives that justify what they allow, where they look, and what they stymie or push into the regulated confines of permissibility. If they control the common wisdom, they control the direction of the boat.

Those who control the common wisdom control power.

In the spring of 1998, for example, more than ten years before the global economy came to its brink, the President's Working Group on Financial Markets convened. Alan Greenspan was there, along with Robert Rubin, the former chair of Goldman Sachs and then secretary of the Treasury. Arthur Levitt Jr., the chair of the US Securities and Exchange Commission, was present, as well as Brooksley Born, the chair of the Commodity Futures Trading Commission.

Born had been sounding a warning cry among the illuminati of the financial world. She was concerned about the potential risks lurking beneath the waterline of the derivatives market. It was an exciting creature, but its risks were unknown, and the size of the market was growing exponentially. There was little to no regulation of the market. The regulators had little visibility into the size of the market or its growing diversity of instruments. In a zero-sum world like finance, where one gambler's gain is realized from another's loss, it was feared that derivatives trading was a game of the innovative and sophisticated against the vulnerable and the dupes. Born warned this growing, unregulated market posed a significant systemic risk to the larger financial system. In short, she warned that if these new dark markets of immense scale were significantly disrupted, a cascading series of adverse effects could quickly spread through the greater financial system.[296]

The three wisemen—Greenspan, Rubin, and Levitt[297]—told Born to back off.[298]

Subsequently, in 2003, now two years before the credit derivatives markets began to quiver—and five years before it would reach the brink of implosion—the world's central bankers convened at a lodge in Grand Teton National Park near Jackson Hole, Wyoming. Greenspan was there again, as was Ben Bernanke, then a sitting member of the Federal Reserve Board of Governors, along with the president of the European Central Bank and the governor of the Bank of England, among others.

Raghuram Rajan, on leave from the University of Chicago's business school while acting as the chief economist of the International Monetary Fund, was at the conference to present a paper. He posited that financial executives were gambling in the derivatives markets to secure short-term gains, but in a way that could have disastrous consequences to the greater financial system if there was a significant adverse event. Afterward, Lawrence Summers, a former secretary of the Treasury and president of Harvard University, called Rajan a "Luddite" for his views.[299] Other academics who urged caution during this period were similarly ostracized or panned for their views. The wizened mandarins established the common wisdom. The views of others were quelled.

The common wisdom proved wrong.

---

73 Dissent is a powerful agent for improving decision-making. It is often misused, misread, or disregarded.

Similar dynamics occurred during the Global War on Terrorism. In France, over the course of the year leading up to the 2015 Paris terrorist attacks, there were several smaller ones. A common thread ran through these prior events: the victims were Jewish. As a consequence, the common wisdom that emerged within the French national security community, working to build the patterns it would observe and pursue, was that future attacks would likely be against other Jewish businesses or individuals. This presumption colored their surveillance. When the later attacks occurred in September 2015, they did not target French Jews.[300] The common wisdom was incorrect, and it left the French national security apparatus scrambling to quickly establish new filters to understand the purpose, motivations, and techniques of the attacks.

Simultaneously, within the United States' national security apparatus, the common wisdom emerging prior to 2015 was that the next terrorist threats would likely be by a lone wolf. The thinking was that the terrorist networks during this period lacked the sophistication and capital to meaningfully organize a large-scale attack on American or European targets. Instead, they would launch micro attacks, killing or wounding a small number of people, garnering a measure of media attention for their cause or plight, and then be killed or incapacitated. This common wisdom held by the mandarins of US national security also proved wrong.[301]

The French attacks were in fact executed by a highly orchestrated team, seemingly well trained and working in concert to sow fear and destruction across the city.[302] Perhaps because of the incorrect common wisdom in France and the United States, national security teams looked in the wrong places. What resulted led to the most significant acts of carnage in France since the end of WWII.

Working further backward to the early 1980s, as the balance of Cold War power ebbed and flowed between the United States and the Soviet Union, US intelligence experts knew that the Soviets were developing a new class of submarines that would become known as the Akula. They anticipated it would take the Soviets ten years to deliver these vessels to the sea. There would be time to react. Instead, it took only three years for the Soviets to bring their newest nuclear boat to the waters. The established narrative was wrong. Judgment would be invoked much sooner than anticipated.

Chris Mailander

Chris Mailander counsels corporate and national government clients through the arduous decision path faced in the pursuit of extraordinary outcomes. His client roster has included MasterCard, Bank of Montreal, the Federal Home Loan Bank System, Unisys, Visa, KPMG Consulting, BearingPoint, the President of Nigeria, the Government of Iraq, and a host of mid-market leaders and Silicon Valley innovators seeking to transform industries. He has negotiated tenders and commercial transactions in more than forty countries across North America, Europe, Asia, the Middle East, and Africa, including in conflict and post-conflict economies. He was previously an adjunct professor at Georgetown University Law School and an adjunct fellow at the Center for Strategic & International Studies. He lives in Asheville, North Carolina.