



Commercial Insights with Regions Bank

Episode 6: Tackling Decision Fatigue

For the past year, business leaders have faced a torrent of critical decisions, from staffing plans to urgent liquidity needs to supply chain shifts. And they've often faced those decisions in a new environment, at home, where personal life blends with professional demands. In a time of such drastic change, how can you fight fatigue and stay sharp?

Episode Transcript

Ronnie Smith:

Most decisions don't have to occur at the pace that maybe they're presented to us. And so we have to pace ourselves to make sure that we don't get ahead without using all of the analytics, all of the facts to make the best possible decision that we can.

Chris Blose:

This helpful insight comes from Ronnie Smith, Senior EVP and Head of the Corporate Banking Group for Regions Bank. And if you're a business decision-maker, that "pace" he mentions surely will sound familiar.

Welcome to Commercial Insights with Regions Bank. I'm your host, Chris Blose, and today we're talking about decision fatigue.

Even before 2020, modern expectations around decision-making had changed. With the speed of chat tools, text and email, people expect an answer — and they expect it fast. Add in the increased digital connection of a new work-from-home environment, and the pressure has only increased.

The result? Decision fatigue is on the rise. Put simply, decision fatigue is the mental fog or malaise a person faces when overwhelmed by having too many decisions to make. And we've all had more decisions to make than usual in the past year, both personal and business-related.

Ronnie Smith is here to help us understand what that means for business leaders in particular, with some helpful tips and personal experience on beating decision fatigue.

Chris:

Welcome, Ronnie. I know you've been with Regions for quite some time.



Ronnie:

This is actually my 40th year to be with our company and I've been fortunate to have multiple roles throughout that period of time. And today I serve as the head of corporate banking, which basically means all things business within our company. It ranges from capital market to treasury management to commercial lending credit products.

Chris:

And obviously as you advance, as a person advances in their career I think you're increase- increasingly under pressure to make good decisions or increasingly in a position where you're making decisions that have an effect on, on a business. So when, when you think about it from that perspective, what do you think of when you hear that term decision fatigue?

Ronnie:

Well, I think that there are a lot of moving parts in today's environment. We're doing things at a pace that we've never done before and so decision fatigue comes because of not just the speed at which decisions are expected, but the volume of decisions that have to be made. Under the pandemic that's taken on even a new velocity because we are so connected, maybe stronger than we've ever been before.

And the decisions that you have to make, whether they are decisions that affect our company or other businesses or whether it's in the environment that each of us are working out of today, decisions still take a mental effort. They take focus. And, I think, because of the pace and the volume that each of us are faced with today, decision fatigue can occur.

Chris:

So tell me a little bit about your own experience in evolving as a decision-maker over the past year and where you've seen the pandemic affect that decision making process.

Ronnie:

My belief is that because decisions can now occur 24/7, it's hard to unplug. One of the things that I've tried to create a discipline around for myself personally is recognizing when that fatigue occurs, to unplug, to step back, clear your mind. Even if it's just for 15, 20, 30 minutes just to step back and to try to think through what sits in front of you from a decision standpoint.

I think it comes in a couple of ways for me. Number one is to absolutely have a strong work ethic and put one foot in front of the other and realize that these are unusual times. But the second thing is stepping back, taking in all of the data, all of the analytics to make the best decision possible, and then recognizing too, what is the timeframe that that particular decision needs to occur?



Chris:

So I think you bring up an interest point with both prioritization and analyzing decisions and maybe not making a decision too quickly. I'm curious if there are any tried-and-true techniques that you turn to when you're looking at a tough decision.

Ronnie:

First of all, try to gain input from others. I do believe that we are better together. And the pandemic has caused us to be separated but connected at the same time. One of the things I think will be a best practice as we move to the other side of the pandemic is to realize how quickly we can connect others who have expertise in certain areas.

Who has the strength in this particular area? And to be willing to raise your hand and say, "I don't have the deep expertise in this area. I need to lean into ..." And fill in the blank with whoever that is.

Chris:

So how have you seen the sort of decision pressure play out either among businesses that might be having a hard time shifting during the pandemic versus those who actually may be seeing new opportunities?

Ronnie:

We have the opportunity to deal with so many businesses from those that are really booming. For instance, last mile logistics, those entities involved either in the production or the sale of essential goods, tech companies, industries that are really having the best performance that they've ever had because of some of the pandemic related challenges that are out there today. And those companies have a whole different set of challenges than those who are struggling in the pandemic and over the past year.

Those that are struggling are looking at their debt facilities thinking about how do we restructure, or should they take on a new strategy? You know, one of the best examples that all of us have seen on the quick-serve side of restaurants, we've seen them go to drive-thru only and the innovation and the strategy that has occurred even within that subsector of the restaurant business has been phenomenal to watch. And so they're having to make decisions maybe where they struggled initially but really change their strategy and provided curbside, provided better drive-thru experiences. And we've seen them really turn the corner on some things.

We also talk about capital needs of those businesses that are struggling a bit. PPP [Paycheck Protection Program] was really a great resource for our businesses to lean into to provide retention of employees and also provide cash for them to bridge to the other side while these new strategies are developed or while we gradually get our economies reopened again. But when I look at our businesses across all of the different industries that we serve, it can be those that are booming, those that are challenged, and



those that are really setting new strategies in place to take advantage of the opportunities that sit in front of them today.

Chris:

And I would assume whether you're in that sort of boom scenario or whether you're in that sort of survival scenario either one of those comes with fatigue, right?

Ronnie:

Sure. Because the pressure is: how do we take advantage of the opportunities that are here? And will they last? And so what we see companies doing today, whether they're booming or whether they're struggling, they're really leaning back into building cash. And we've seen that across almost every industry segment because of the uncertainty that lies ahead of each of them. Whether that is about the opportunity and the capital investments that it takes or whether that's just bridging their way to the new normal, those pressures continue to mount on all of the companies.

Chris:

I'd like to dive into the kind of personal side of this as well, too, and you've hinted at this a little bit. We're all working in different environments now. And I think with future flexibility and hybrid work that's likely to continue in some form or another. So what pressure does that put on decision making, if you're working from home, with all of the aspects of home life that may go along with it? And what have been effective strategies for you in not letting that add pressure to decision making?

Ronnie:

Well, I do think that whatever environment that you're working in always has distractions, whether that's one of our corporate offices or whether that's out of your home. They're just different distractions. And most of us are accustomed to being interrupted at home with things that we need to do or want to do.

And just from a personal standpoint, as I have worked out of both settings, it's easy to be distracted at home just because Amazon came to the door and knocked to let you know there was a package there. That doesn't occur in a more corporate setting, but other interruptions do occur in the corporate setting, but interruptions that we're accustomed to, and we know how to prioritize what's important. And I think how it's impacted me is to learn to stay in the zone. Don't let the distractions move you away from the discipline around what's important during that period of time that you are dedicating to the work environment.

Where I think that we really have strong upside though is the flexibility that working remote can provide us both from a work/life balance and also from being able to be productive and not spend so much time whether it's in physical travel or whether it's engaging in conversation that really don't have benefit necessarily to the task that sits in front of you at that particular time.



And so, it gets back down to having the discipline to be able to stay focused on those things that are most important in accomplishing those tasks. And then, as I said a bit earlier, understanding when to step away, clear your mind, and start with a fresh new agenda.

Chris:

Well, I think you mentioned the idea of being able to stay in the zone, right? And stay focused on the work task at hand. Do you think that's especially important when you're outside the office? I'm imagining a scenario where the decision fatigue of personal and life decisions starts to bleed into the decision fatigue of business decisions. So how do you create that separation?

Ronnie:

Well for me, my youngest is a senior in college, so we're empty nesters. So on a personal basis it's a bit easier because there my spouse understands that when I move to my area of work that I need to stay focused. Children don't understand that as much, and there are disruptions that have occurred. Schools have not been in session in many of your markets and it's hard to balance the family needs and the work needs working out of the same location.

And so, I think that as we think about moving back to the new normal. What that means and what kind of flexibility we have will hopefully see schools and other opportunities to create a work environment that you can move in and out of without the distractions that just normally occur in a home life. I've had many conversations throughout this period of time with our associates that find frustration because it is hard to strike that balance.

Again, it creates frustration. It creates the opportunity to move away from things for a while, but it extends the day at the same time. And I do think it really gets down to the question of being able to be disciplined.

Chris:

And I think that's great advice for the kind of individual side of things. How do you think a company can support all of that, both supporting the person who's working whether they're in the office or at home, but also encouraging some of that collaborative decision making that you mentioned earlier and really reaching out for other expert opinion and reaching out for the data to make smart decisions?

Ronnie:

Yeah, I think we're all learning through that process. I don't think that any of us have cracked the code. But I will say that being able to schedule time, we've all gotten a lot better at that. Being willing to prioritize those needed open discussions that have to occur from time to time. Just as we're doing with the podcast today, gathering around whatever technology element that we have in front of us to have open discussions and participating as if you're sitting in the room.



Chris:

So when you look back at the last year, what lessons do you think are going to be most durable to carry forward?

Ronnie:

Well, there are a lot of lessons that we'll take out of the past year, but I would probably start with time management. It has to be durable. We have accomplished more in a compacted period of time than ever before through efficiencies where we couldn't travel but we could connect.

And then the second thing I would say would be streamlining things like meetings, documents, reports. Really challenging ourselves on, what is the value? And if it doesn't have real value for us, why are we doing it? Because it was important to get our hands around data analytics that made sense to support the decisions that were in front of us.

And partnering with our teams, making sure that we did lean back into the strengths that each of us have as a team, and use the team dynamics to overcome the decision fatigue that we've talked through previously.

You know, culturally our company has always responded to crisis in a strong way, but this is a crisis that sustained.

What I saw through the pandemic is the sustainability of that immediate response and we've learned how this turned that skillset. That we've become really good around whatever crisis was in front of us in a prolonged way. Bringing leaders in from grassroots levels just to gain their insight through the pandemic, whether that's business owners or whether that's associates that were seeing things in a different way, really emphasized you need to get as close to the challenge to make the best decision that you can as well.

I'll wrap that question up just with a conversation I had with my daughter, who asked me on an occasion about, "Dad, what, what are y'all doing to try to help through this process?" And so, I had the chance to visit with her at a high level about, here are the things that we're trying to do for the businesses that we serve and the communities that we serve. And she responded by saying, "You know, it's kind of weird, but in a way, you're financial frontline responders." And that statement took me back.

Chris:

That's a great statement. And of course, what they were responding to was both change and risk. Do you think shoring up risk management and change management plans, or other foundational business processes, is a good way to help prevent decision fatigue?



Ronnie:

Well, I always believe that we should do everything we can to know what we need to do when faced with new or changing environments or challenges. But what the pandemic has taught us is that we can't prepare for everything, but there are guiding principles that we do have to lean back into.

There are parameters that we need to set up to say, "If we have to step, step out of that parameter, then that's where we get uncomfortable and, and have to address moving that back in." Whether that's with credit risk management, compliance risk management, I've really found ourselves a reputational legal risk, all of the things that we talk about really became and still is the guiding principles that we do business by every day. And regardless of whether we're in a remote environment or whether we're back to prepandemic environments, you really have to lean heavily back into core values.

Chris:

Thank you for making the decision to listen to Commercial Insights with Regions Bank today, and thank you to Ronnie Smith for sharing his experience and perspective.

It's been a year of the personal blending with the professional, of life blending with work, and, frankly, of decisions we never thought we'd have to make. So we hope today's conversation can help you overcome decision fatigue in your own life and work.

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