

## PRUDENCE

### What is prudence?

**Prudence refers to the consistent demonstration of the ability to make sound decisions in a well-thought through and wise manner. Wisdom includes drawing from intelligence, experience, creativity, awareness and emotional intelligence.**

### Why is it important to have prudence?

The failure to act with prudence can have a number of negative impacts. Rushing ahead impulsively or recklessly may cause harm to yourself or others. To act with prudence means thinking before acting, and exercising sound judgement, drawing on all appropriate resources for the necessary information.

Imagine if an acquaintance told you of a great investment opportunity and suggested you put money into it – and that you are interested. To act with prudence means you wouldn't consider any financial transaction until you'd researched the company financials, spoken with your accountant and financial planner, and some references on the company and so on. To act without prudence might mean that you seek no such advice and immediately invest in this company.

It's still true that even if you do your homework, the investment might not end up being sound, but at least you'd be satisfied that you'd done everything possible to protect your investment and take responsibility. In addition, in the event of making a loss, you wouldn't open yourself up for self-reproach and you'd avoid heaping blame on the person who told you about the investment in the first place.

Another scenario could be that a member of your team told you they'd seen another staff member shopping who was off sick from work. When the staff member returns to work, you speak with them, calling them unreliable and untrustworthy, without first asking for their side of the story. After discussion with the team member, you find out that they had just visited the doctor and were at the shops to fill a prescription. Your failure to find out the true facts has now caused an uncomfortable situation that could lead to deterioration in your relationship with your team member. If you had operated with prudence, and not passed judgement until you had established the facts, this risk to the relationship would have been avoided.

So, as we can see from the two above examples, operating with prudence significantly increases the quality of decision-making and also the quality of human interaction (coming to early, snap judgments of people is one of the easiest ways to wreck relationships of any nature).

### Why is it so easy to slip up in the area of prudence?

These days we're not accustomed to waiting for anything. We can get anything we desire, almost instantly, from the comfort of our own lounge room; food, groceries, clothing, gifts, books, music. It's now the exception, not the rule, to save up for something. Missing out on this process means we don't actually give ourselves any time to think about whether or not we really want whatever it is.

Nor do we tend to research all the options, the cost implications, the availability and the quality. If we operated with more prudence, we would take time to research the best option, weigh up all the pros and cons, and use our knowledge and experience to make the best choice. And we'd end up with far less 'stuff' we never use gathering dust in the storage space we're likely short of.

It is easy to feel pressured into doing things we don't always feel comfortable doing, because we feel we should, or we feel it is expected of us, or because we want to fit in. When succumb to external pressure in this way, we are going against our own instincts and our own best interest. We end up with outcomes or things that we don't actually want and we have also missed an opportunity for greater self-discovery. Using prudence, we could have learnt more about ourselves, by taking the time and making the effort to listen to our intuition, and we could have worked out what was really important to us above meeting another person's expectations or fitting in. If we take hold of these opportunities for increasing our self-knowledge we will increase our ability to create a meaningful, fulfilling, suitable life for our selves.

Another factor that gets in the way of prudence is simply the busyness of life, including workplaces, these days. It's very easy to feel short of time and resources and fall into the habit of cutting out on the forethought, preparation and research; these are things that a good decision actually requires.

When we take all these factors together – impatience, pressure and busyness – the common thread is that all of them lead to us cutting out the thinking and consideration process. It's actually quite possible that, as a result, we are actually decreasing our abilities in the area of critical thinking through simple lack of practise – muscles become flabby when they are not used.

Given that the grey matter that sits on top of our spinal chord is one of the most powerful and mysterious items in the known universe – and one that we suspect can do a lot more than we are currently aware of – it is probably fair to say that exercising it regularly, and thoroughly by thinking about and researching options thoroughly is simply prudent in itself.

“The actions of the imprudent teach us what to avoid. They speak much and know little; spend much and have little; sleep much and do little; learn much and apply little.” Chuck Galozzi

### Characteristics of a prudential person

- Will not make an immediate decision where further information is needed
- Gather a spectrum of information and considers all points of view
- Are clear about the consequences of any decision they make
- Are prepared to deal with the consequences of their actions
- Understands the distinction between being judgemental and exercising judgement
- Is wise to 'hype' such that they tune it out and instead pay attention to their own opinion, instincts, and intuition about what is right for them

- Are clear about what they value and what they need and let these operate as their guide lines (rather than letting external factors and people have undue influence)

### Evaluate your own prudence

Look back on a situation where you were required to make what you consider a fairly significant decision and review how you acted upon it by asking the following:

- Did you let your emotions run away with you such that you acted impulsively?
- Did you conduct thorough research, weighing up the various options and consequences, or did you just act on the advice of a couple of peoples close at hand, or did you make the decision purely on your own counsel?
- Did you act against your better judgement in any way (i.e. made the call earlier than you thought was wise due to time pressure, or made a call more to earn 'brownie' points than because it was the best choice, or had a hunch there were a couple more options it would be good to explore but had a lazy moment!)
- In hindsight, was the decision the right one or one you have had cause to regret?
- If it turned out to be a bad decision, what could you have done differently to change the outcome?
- What were the reasons behind why you acted the way you did?
- Find out how others perceive your levels of prudence by asking questions such as:
  - In your opinion am I someone who acts impulsively or do I weigh up the pros and cons of a decision before coming to a final conclusion?
  - If I came to you regarding an issue in our relationship, would you judge that I had thought the matter through before coming to you?

### Improve your prudence

- Notice you decision making process and review how thoroughly you consider your options and how you gather the required information. Give yourself a rating from 1 to 10 on how prudent you think you generally are (with 1 being not prudent and 10 being highly prudent). Then decide on one action step you can take to improve your level of prudence by 1 point – and make this action a regular part of your decision making process.
- Formulate a prudence plan that lists the steps you are going to take when needing to make a key decision. This may involve research, people to consult, setting a time frame with the goal being to increase the prudence of your decisions.
- Keep an open mind – it is impossible to act rationally and with wisdom and understanding if your mind is closed to the facts and opinions of others who may have more knowledge than you do. Drop defensiveness by focusing on actively listening and enquiring when people present ideas and opinions that are different from your own.

- Think of decision you have made in the past that was rushed and where, as a result, you got an outcome you didn't want. Work out what decision making steps that, if you had taken then, would have led you to make a different decision. Use this hindsight to give you insight into how you can make sounder decisions in the future.
- Think of someone who has exceptional standards of prudence. How would you rate yourself in comparison to this person (if they were a 10, what would you be)?
  - What's one they do that you could start practicing to increase your own level of prudence?
- Think of the least prudential person you have come across. How would you rate yourself in comparison to this person (if they were a 1, what would you be)?
  - What's one thing this person does that you realise you sometimes do? What action can you take to make this less likely to occur?

## Further resources

If you would like to develop further in the area of prudence, the following books, courses and consultants may be worth considering. Please note that High Ideals does not endorse or receive any direct benefit from recommending the following resources. The list is simply a suggestive collection of materials that members of the High Ideals management team have found useful in their own development.

- <http://www.mindtools.com/> is a site High Ideals often refers people to as it is an incredible resource to assist people in developing their own professional skills regardless of whether they run their own business or work for someone else.
- <http://www.selfgrowth.com/> is a site High Ideals often refers people to as it offers both personal and professional self-development information and resources. You can type in any search word you want, such as “sustainable decision making” and you’ll get a list of articles, blogs, resources and links to other sites which could assist you in your own development.
- <http://www.high-ideals.com/> – Check out the Member Directory section for High Ideals members who offer services which could support you, such as coaching, mentoring or consulting on High Ideals criteria/values.

## Author acknowledgement

### Author and editor acknowledgement

**High Ideals** would like to acknowledge and thank Sharon Chisholm for his work on this document. Sharon is the Promotions Manger for High Ideals as well as a professional coach with DreamEagles Life Coaching. To find out more about Sharon, please visit her profile on the High Ideals directory by clicking [here](#) and search by name.

This document is part of the **High Ideals** Criteria Information Series, edited by Claire Stretch. For more information on Claire please visit her profile on the High Ideals directory by clicking [here](#) and search by name.

## Disclaimers and Other Important Information

**High Ideals Pty Ltd** is committed to ensuring that all of our services, products and information we share is foremost designed and delivered in a manner which has the potential to support others. Our values are focused on giving, being supportive and making a positive difference in the world. We are also dedicated to ensuring that we are at all times ethical demonstrating integrity at all levels. Therefore this Disclaimers page is necessary to provide clarity on a number of key points, as follows:

- All **High Ideals Pty Ltd** documents are for information purposes only.
- Clients and all who read these documents are responsible for their own decisions and **High Ideals Pty Ltd** will never provide advice or direct you what to do. Our services include sharing these resource documents, which are focused on assisting clients to raise their own awareness, by which they can make their own decisions and be responsible for their own actions. It is the responsibility of anyone who receives an **High Ideals Pty Ltd** resource document, whether they are a direct client of ours or were forwarded this document from a third party, to read our full terms and conditions available on our website: [www.high-ideals.com](http://www.high-ideals.com)
- The client and/or reader of this document are responsible for engaging in their own research, further reading, and exploration. This document is simply an information sharing starting point only.
- All of our **High Ideals Pty Ltd** personnel and members can contribute to our Resource Library, and share the responsibility for writing all of these documents. As a collective, we have a huge range of backgrounds and areas of expertise. We also take great care when sharing information to ensure it is accurate, useful and a product of sound research as well as our own personal and professional experience. Therefore many of our comments are born out of our many years of experience in a large number of areas of endeavour or interest and the successes of our clients is the evidence behind these strategies and techniques. If we are providing personal opinion, we make that clear, and take care to validate why and/or how this personal opinion may be useful in the total picture of self exploration of the client/reader. When we do share personal opinion, it is typically in the form of sharing from our relevant experience, ideas of strategies we feel may be helpful, and potentially have been helpful for us personally. Personal opinion never includes giving advice or providing specific direction to the client/reader. If we are referencing the work, thoughts or opinions of others, we also make that clear and give full attribution and acknowledgement to those other sources of information. We also share our validation for why we feel this information may be of benefit to the client/reader.
- We adhere to the Harvard Referencing System in providing reference information and acknowledgement for all books, websites and other information sources. We are continually updating our documents to match this standard. If you ever notice a reference which you feel does not meet this standard, please let us know by writing to [info@high-ideals.com](mailto:info@high-ideals.com) with this feedback so we can attend to it immediately.

- **High Ideals Pty Ltd** never makes any endorsement or recommendation of any websites, books, companies, products or services. Instead, we provide ideas for the client/reader to explore certain websites and books in particular. We review and carefully select which websites and books we feel may have some potential value to our clients/readers. Then, when we raise these ideas with the client/reader, we also provide our justification for why we feel the idea may have some merit. For example, if we raise the idea to the client/reader to explore a particular website, we will indicate what it is about that website which we feel has the potential to be useful to the client/reader. It is then the responsibility of the client/reader to make the final assessment as to whether or not it is actually useful.
- We also take no responsibility for the content of any website other than **High Ideals Pty Ltd**. We cannot control the accuracy, security or technical performance of any website other than our own. Similarly, we have no control over the content of any books we raise ideas for exploration about, or the availability of those books. It is the total responsibility of the client/reader to determine whether this information is for them to pursue further.