

# Strategies for Responding to Uncertainty

## 2025 TPM Peer Exchange - Using Performance Management to Respond to Uncertainty

- **Margin of safety**
  - What it is: Build resilience and preparedness through contingency planning/building a buffer.
  - Reference quote: *"The bigger the buffer, the bigger the margin of safety."*
  - Agency strategy example: Michigan DOT Safety Contingency
- **Inversion/failure pre-mortem**
  - What it is: Look at things through the opposite lens - what if worst case happens?
  - Reference quote: *"During times of uncertainty, innovation is often crucial."*
  - Agency strategy example: Connecticut DOT TAMP
- **Pathways to success**
  - What it is: Develop a scientific mindset for decision-making and treat decisions as experiments for learning and adaptation.
  - Reference quote: *"A process can be... completely uncertain, and still there can be an optimal way to act."*
  - Agency strategy example: California DOT Monte Carlo Band
- **Strengthen "change muscles"**
  - What it is: Using change management to quickly adapt and be open to starting, stopping, and changing direction.
  - Reference quote: *"...the key is not the ability to predict which way the wind will blow but rather the ability to sense the prevailing winds and adapt quickly to ride with them."*
  - Agency strategy example: Colorado DOT change management approach.
- **Embrace discomfort**
  - What it is: Being transparent about uncertainty to build trust.
  - Reference quote: *"Acknowledge that ... you get to live in uncomfortable places that are never going to get comfortable."*
  - Agency strategy example: Iowa DOT 2024 Resilience Improvement Plan.
- **Focus on short- to mid-term goals**
  - What it is: In times of uncertainty, focus on short- mid-term goals with less uncertainty to get incremental wins, while deliberately disregarding distracting information, concerns, or opinions.
  - Reference quote: *"Looking three months out can create a longer-term sense of stability..." and "But in a crisis, the first-order decision is effectively made for you: The crisis tells you where you need to focus with a high degree of precision."*
  - Agency strategy example: Inter-agency Bay Area Maze reconstruction.