

Welcome to the February 2002 issue of **Management Shorts**
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1. WELCOME NOTES: Updated Web Site

I'm pleased to announce that my updated web site is now live! I've expanded my service descriptions to give you a more concrete picture of how I work and the practical, results-oriented nature of my services. I've also added detailed case studies – all with a focus on practical solutions for helping management teams get traction on the critical issues. The case studies can be a useful tool for helping your own team talk about where and how it may be getting off track. To go straight to the case studies, point your browser to: http://www.acorn-od.com/case_studies.html

2. MANAGEMENT SHORT: Deciding How to Decide

A big source of managerial churn is lack of clarity around the decision process. The biggest source of confusion is the “team decision”. Does this mean that the boss wants lots of input and discussion before deciding or does it mean that a decision isn't made until everyone agrees? Either approach can be effective, the problem is that the group is usually not clear on which one it is. Every one in the room will make their own assumption and those assumptions rarely all match up. That clash of assumptions makes the process at best painful and at worst destructive to the team's productivity and effectiveness.

Almost every team that I work with struggles with decision making. This newsletter outlines a simple decision making model that is guaranteed to reduce the time spent spinning on decisions.

THE “META-DECISION” OF HOW TO DECIDE

I know this sounds hopelessly academic, but I promise it is quite practical and useful! The “Meta-Decision” is 3 simple questions that you as the team leader have to answer very clearly for your team:

1. Who owns the decision?

One person has to be responsible for making the decision or facilitating the group that makes the decision. This person is responsible for driving the issue to closure. It may be you or you may delegate this responsibility. Communicate this clearly.

2. Who else will participate or have input?

You may own a decision, but if you don't have all the relevant expertise or information, you may want to include other people. Most people want to have input, but would rather be told that they won't have input than to waste time voicing opinions that are ignored. Again, being clear is the key.

3. Which of the 4 decision modes will be used?

This is where the most confusion occurs. Getting input from the team is different from letting the team make the decision, but most leaders never make it clear which one they are doing.

THE 4 DECISION MODES

This is the heart of the meta-decision of how to decide. Sharing this language with your team will make it easy to set clear expectations.

A. Autonomous

You decide without consulting others. You might ask for some data, but don't ask others for their thoughts on defining the problem or generating a solution.

B. Consultation

You share the problem with others, either individually or in a group, asking for ideas and suggestions. Then you decide. Your decision may or may not reflect the suggestions made by others.

C. Consensus

You share the problem with the group and facilitate a group discussion. The group generates and evaluates alternatives and attempts to reach agreement on one solution.

D. Delegation

You pass the decision off to someone on your team and let them decide.

WHAT WE MEAN BY “CONSENSUS”

The word “consensus” gets tossed around all the time but rarely means the same thing to everyone on the room. For the purposes of this model, “consensus” means: Finding a proposal acceptable enough that all members can live with AND support it.

Consensus is NOT:

- A unanimous vote
- Everyone’s first choice or priority
- A majority vote
- Everyone totally satisfied

Consensus requires:

- More time to make the decision (but often less time to implement)
- Active participation of all group members
- Skills in communicating, listening, conflict resolution, and facilitation of open discussion
- Creative thinking
- Open-mindedness
- Giving up a lot of oneself; meeting the needs of the organization and of other individuals must be as important as meeting your own needs.

Consensus takes more time and more energy than the other processes and should only be used for important issues. Don’t use up group energy on the unimportant.

CHOOSING A DECISION MODE

All 4 decision modes can be appropriate at different times. The most effective leaders have the flexibility to use all 4 and the judgement to know when to use each one. There are no hard and fast rules about when to use each mode, but there are a few useful factors to consider.

1. The Importance of the Decision

How important is it to have a high quality decision? If it is very important, choose a process that incorporates available information and collaborative thinking. Unless one person possesses superior expertise, a group discussion will usually lead to a better decision.

2. Complexity of the Decision

The more complex the issue, the more you need others to think it through with you. A range of perspectives will ensure that you aren’t missing something important.

3. Information & Expertise

Do you have adequate information? Do you know what information is needed? Do you know where to find that information? Do you have expertise in this area? Who else has relevant expertise? If you don't have adequate information or expertise, it can be very risky to make an autonomous decision.

4. Buy-In

Do you need group acceptance for effective implementation? Will an autonomous decision be accepted? The more you need the commitment and energy of others to implement, the more you need to involve them in making the decision. Note that involvement doesn't always mean that you have to use consensus – consultation will be just fine in some circumstances. The other benefit of involving others in the decision is that challenges to effective execution can be identified early and resolved before they become a big headache.

5. Involvement of Those Impacted

Who will be significantly affected by the decision? Who represents the interests of affected constituencies? Ignoring these questions could come back to bite you in the implementation stage.

6. Shared Goals & Conflicts of Interest

Do others share your goals? Would they make decisions consistent with your goals for the organization? Do others have interests that conflict with the interests of the organization? Building shared goals and values makes consensus and delegation possible. If you find that you rarely use these decision modes, you may need to put more energy into building and communicating a shared understanding of where the group is going and how you will get there.

7. Time Constraints

What is the appropriate balance of time constraints versus the goal of broad participation? How quickly is a decision needed? How much time do people have to devote to the issue? Is it important enough to take time away from other work? Considering time constraints includes time needed for implementation. Consensus or consultation may be worthwhile if they will reduce implementation time.

Taking all these factors into account we come up with some guidelines for when to use each decision mode.

Autonomous

- You have sufficient expertise and information
- You have private information that can't be shared
- Time is very short
- You have made up your mind and won't be moved

- The problem is trivial

Consultation

- It is within one person's area to implement
- The problem is of intermediate importance
- You want to avoid major errors
- The team is not (yet) working well

Consensus

- The problem is important and complex
- No one is the expert; members together have the expertise
- A high quality solution is needed

Delegation

- There is one clear expert
- The problem is not that important
- It would be a developmental task
- You and the team can live with the solution

The purpose of this decision model is to give you a language and framework that you can use to be clear with your team about how a decision is being made. You don't have to pick the perfect mode for each decision to be effective. You do need to pick a mode, communicate it clearly and then stick to it. That's all it takes to save you and your team a lot of time and aggravation.

A FEW LAST WORDS ON CLEANING UP THE DECISION PROCESS

Many managers trip themselves up at either end of the spectrum – they either make all the decisions themselves, leaving their team feeling disenfranchised and demotivated -- or they think they are supposed to make every decision by consensus and bring the group to a halt with endless meetings.

As frustrating as these two patterns are to a team, the worst pattern is the manager who says consensus, but really means consultation. If you really mean consultation, say so – no apology needed.

The consultation mode is often appropriate and effective, but If you find that you NEVER use the consensus mode, this may be a warning sign of one of 3 problems: (1) You have a weak team that isn't capable of handling important decisions; (2) You aren't bringing the truly critical issues to the team; or (3) You're holding the organization back with an overly controlling style. In today's competitive environment, any of these problems can be a big stumbling block to success. If thinking through this model helps you identify one of these underlying issues, you've already made a huge leap forward!

3. FOR THOSE WHO WANT MORE: Source Material

This newsletter is built around some classic work on teams. If you want to learn more you can go to the source.

Leadership & Decision Making

by Victor H. Vroom and Philip W. Yetton

This is the original model of the 4 decision modes. A classic, but hard to find. Used copies are sometimes available through Amazon.

<http://www.amazon.com/exec/obidos/ASIN/0822952653/acornconsulti-20>

Power Up: Transforming Organizations Through Shared Leadership

by David Bradford and Allan Cohen

I think of this as the "tough love" book of team building with its focus on getting real work done and confronting the most difficult issues head on. A key focus of the book is on the power of consensus decision making, when to use it and how to create the conditions under which consensus decision making will work.

Amazon link:

<http://www.amazon.com/exec/obidos/ASIN/0471121223/acornconsulti-20>

My first newsletter (May 2001) outlined a very simple tool called the Consensus Scale. When you want to use the consensus mode, this tool can help bring order out of the chaos and get to closure. To read that issue, go to:

www.topica.com/lists/shorts/read/message.html?mid=1602861581&sort=d&start=0

4. GETTING STARTED: Pick A Decision

Look at the agenda for your next team meeting. Are you clear on the desired outcome for each item? (i.e. decision, sharing information, generate ideas, create a work plan) For the items that require a decision, which decision mode do you want to use for each item? Share this newsletter with your team so they will understand the language you are using to talk about decision making. At the meeting start each agenda item by clarifying the desired outcome, and, where the outcome is a decision, clarify which decision mode you'll be using. At the end of the meeting, ask your team if these extra steps were helpful.

Does that seem too easy? Well, easy can be good! You can also take this a step further by asking your team to talk about how decisions are made. Identify the range of decisions that you and the team are responsible for. Break the team up into pairs and ask them to assign each item to the decision mode they think is most appropriate. Then have the pairs share their lists with each other. Areas of disagreement should lead to a very interesting discussion! (Thanks to Prof. David Bradford for this simple, but powerful exercise.)

This decision model is one of my favorite tools for helping teams get traction on the critical issues. For other practical approaches to getting traction, download my free white paper "GETTING TRACTION: How Management Teams Can Spend Less Time Spinning & More Time Getting Things Done". Point your browser to:

<http://www.acorn-od.com/download.html>

Warm regards,
Andrea

About Management Shorts

Management Shorts is a free newsletter for senior managers on leadership, management and teamwork – the key leverage points for improving the speed and quality of decision-making and execution.

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