

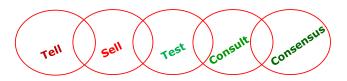
# Management and Performance Associates – August 2015 Shall I make a decision or involve my team?

Since the crisis started, the Greek economy has dramatically shrunk 22%, bringing its size to that of the city of Miami, Florida. Unemployment continues to stay at 25%. There were long lines of retirees taking out their daily limit from ATM's in front of banks that had been closed for weeks. Stock markets around the world have fallen due to the uncertainty of a Greek default and their possible exit from the Euro zone. Prime Minister Alexis Tsipras was faced with the dilemma of whether to agree to the demands of Greece's creditors or to call yet another referendum.

We're not judging the Prime Minister's actions. We're using this metaphor to explore when it is time for a leader to make a decision and when it's best to involve their team (to what extent?).

First of all, let's not confuse involving the team with delegating a decision to the team. Second, as one of our partners likes to say, "Life is more complicated than a PowerPoint presentation" (or a newsletter). On paper, it's easy to pinpoint where a manager should be in the *decision making continuum* (see below). However, in practice these points are often blurred. The closer you are to the *right* of the continuum, the more your team is involved, which therefore generates commitment. The closer you are to the *left* of the continuum, the less your team is involved and you'll only get compliance, if anything at all.

## Decision Making Continnum



## **Tell Approach**

This is an effective approach to inform the team of a decision already made. There is no room for discussion, as a decision has already been made at higher levels of the company, or it involves compliance issues, such as policy, regulations or legislations. Transparent leaders should constantly let people know which approach they are using. Some managers might want to involve staff in discussing issues that are non-discussable, therefore generating the false sense that items are open for debate, which generates frustration and de-motivates their team. When using this approach, managers need to be clear that all that they are getting from staff – if anything – is compliance.

## **Sell Approach**

Similar to Tell, this is a decision already made by the leader that the team is being informed of. The difference is that the manager focuses on benefits (if they exist). Emphasizing benefits that are not perceived as such by the team may be taken as manipulation, which generates frustration and demotivates their team. This approach is also effective when the manager shows openness to clarify the group's concerns. When done well, this approach will generate understanding. We are still far from commitment by the team though.

# **Test Approach**

This is an effective approach when the manager is not sure of the decision being made, and brings it to the team to get their perspective and feedback. This approach sounds like the Tell style complemented by the following questions: "Am I missing something?" Managers need to be open to change the decision if the group brings up unforeseen risks and significant disadvantages. Once again, if there is no room to change the decision, stick to Tell.

#### **Consult Approach**

Inclusive leaders should favor this approach when the decision can be made after consulting the team and getting their perspective on a given issue. It generates discussion, promotes staff participation



and makes the group feel empowered, as their opinion and feedback are important. A good meeting in this approach should include lots of open ended and probing questions, because the leader needs the perspective of the team. Managers should make clear that they are consulting the team, not delegating the decision, so as not to generate false expectations.

## **Consensus Approach**

Leaders should reserve this approach for the very few situations when they feel comfortable saying "I am happy with whatever we decide". The leader is also part of the team, and participates as an equal in the decision making process. Reaching consensus normally takes time. When there is an important time constraint the manager must share this concern with the team and adopt a *qualified consensus*: if the decision is not made on time, the manager will be responsible for making the decision, taking into consideration all information developed by the team.

We understand that some situations do not allow for team involvement. Take advantage of the ones where you can. It generates committment, makes employees feel emplowered and gives them a sense of ownership.

## See you next time. We welcome your feedback.

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