

LeadershipFAQs

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Missive 5

the
issue

what's the best approach to good decision-making?

by Bob Lorber, Ph.D.

When I am asked to do CEO coaching and intervention I look at 6 core areas of leadership *and* organizational effectiveness.

Decision-making is one of these 6 key functions – and it is often one of the most misunderstood.

The Myth of Leadership Style

Many aspiring leaders today are influenced by the models of leaders they have met in print or in person (I have spoken at some of those banquets, myself!) And the myth of many role models is simple – do it like I do! The prevailing assumption is that a certain style of leadership is best. Thanks to Ken Blanchard and others, we are more enlightened and more “situational” in our approach to leadership styles – we adapt our style to the needs of each given situation.

So it is with decision-making.

3 Styles of Decision-Making

I help my clients identify 3 main styles of decision-making...

Autocratic...One person makes the call. On their own. Period.

Consultative...One person makes the call *by drawing on the advice and input of others*.

Consensus...Many make the call. Together.

3 Principles of Decision-Making

Principle #1 – decision-making style is situational, just like leadership style.

Principle #2 – no matter how the decision is made, we all need to “buy in.”

Principle #3 – buy-in is easier *when everyone understands up-front which style is being used*.

Look at Your Landscape

So...where do these different styles “fit” in your picture of leadership and organizational effectiveness?

Autocratic decision-making has its place, even in the current climate of collaborative leadership. There are times when a leader must make a decision based on the responsibility they are given to accomplish certain objectives in the organization. They are being paid for their ability to assess needs and make decisions, *regardless of other prevailing opinions*. Turnarounds, interventions, and entrepreneurial start-ups are typical environments where autocratic decisions abound.

Consultative decision-making is definitely team-oriented. Market-driven organizations that are required to produce new products and meet demanding customer satisfaction are environments rich in collaboration – places that thrive when sales, marketing, manufacturing, and research and development come together to pool their insight and expertise.

Consensus decision-making has its place, too. Organizations that build strong employee “ownership” of values and vision often use consensus at key points of decision-making that affect the whole employee base – holiday schedules, health providers, fiscal “belt-tightening” policies, and even casual dress days.

Is Everyone Singing Off the Same Page of Music?

You can use any of these styles of decision-making *within your own team*. Just be sure that everyone knows which one you’re using *up-front*. If you aren’t clear about the style of decision-making you are using in a given situation, you will end up sowing seeds of discord and disenfranchisement with your people. Think about it. Nothing is more demoralizing than thinking you are having an important “say” in decision-making, only to be “shut out” by a dictatorial edict. And no one really respects a leader who won’t make *any* decision unless it has 100% acceptance.

So...

- ✓ Look before you leap - analyze each situation carefully
- ✓ Choose your style
- ✓ Tell your people
- ✓ Pull the trigger

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