6 STEPS TO TRANSFORM

Your Team into a Decision-Making Machine

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Success in business comes down to just one thing – making and implementing good decisions. Make and implement more good decisions than bad, you WIN. Make and implement more bad decisions than good, you LOSE!

Sounds simple. And for a small, growing business it is… relatively. However when you're operating in a complex environment, the sheer number of decisions made in your business on any given day is mammoth.

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Each person in your organization makes anywhere between 70 - 100 non-trivial decisions a day depending on their role. Should I take this meeting? Should I give this discount? Should I confront this person? Shall I finish this report today or tomorrow? Extrapolate that out over your entire workforce and that's one heck of a cloud of actions emerging from your business every day. So how do you make sure the sum total of those actions are high quality, right, good and deliver what the organization needs?

Well, as with most things in business, it starts with the Executive Team. Unless your senior team is able to consistently make and implement high-quality decisions, how can you expect the rest of your company to do that? Believe it or not the rest of your organization is looking to your senior team as a role model for decision making.

We teach high-quality decision-making at Predictable Success on an almost daily basis. This eBook will introduce you to *each of these key steps*, first showing you how they contribute to your team's effectiveness and then how best to begin applying them within your organization.

4D

3i
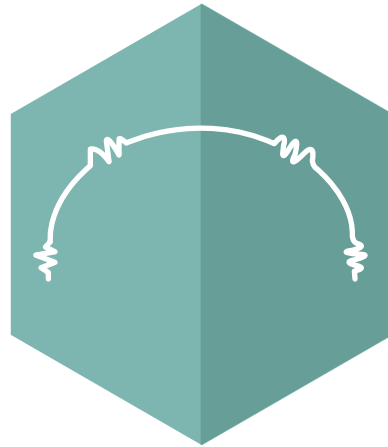
1. Identify your team's decision-making mindset and why it needs to change.
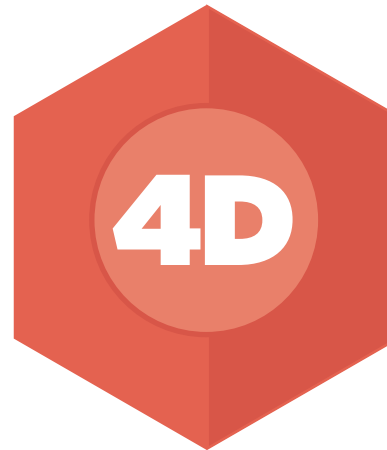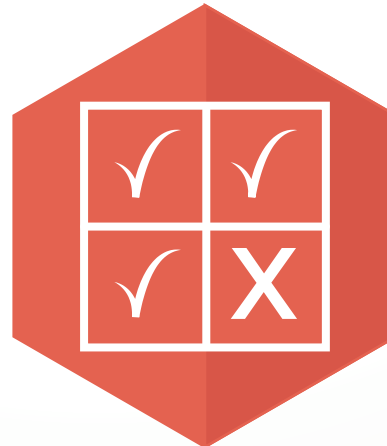
2. Learn a simple but powerful 4-step process for making and implementing high-quality decisions.

3. Develop the minimal behaviors required to make the 4-step process work.

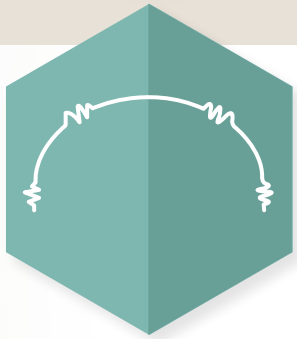**4.** Build diversity of thought and balance in your decision-making process.

5. Conquer gridlock in your decision making.

6. Move to action.

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*Every organization passes through **clearly defined phases of growth.** As the organization evolves, so does its decision-making strategies.*

Phase 1: Heroic Leadership - Make Decisions Fast, Implement Decisions Fast

During the growth stage of any business (finding and then mining our Profitable, Sustainable market) we grow the business through heroic leadership. Regularly stealing victory from the jaws of defeat, the evangelistic, energetic leadership power the organization past bigger competitors, delighting customers – even turning on a dime as necessary – to meet their needs.

How is this achieved? By having a small, tight team that enables the business to hum to the rhythm of 'think it, do it, done'.

A chance 90-second morning elevator ride with a colleague produces a decision before the doors open, action before lunch, and results to discuss in the elevator ride back down that evening. Decision-making and implementation are immediate, often perceived as one in the same.

But as the business grows and complexity creeps in, the ability to link thought to action and action to results seems to suddenly stall. The harsh reality is heroic leadership is effective but not efficient – it isn't scalable.

synergistic
leadership

(effective AND efficient - SCALABLE)

heroic
leadership

(effective, but
not efficient)

protective
leadership

(efficient, but not
effective)

As we grow in complexity we continue to make decisions quickly, but implementation slows as we realise we didn't have all the pertinent data, or we didn't get input from everyone involved in the decisions, or quite frankly we make a decision and just drop the ball on implementation.

In order to conquer this, we need to move past heroic leadership to the next phase; Synergistic leadership.
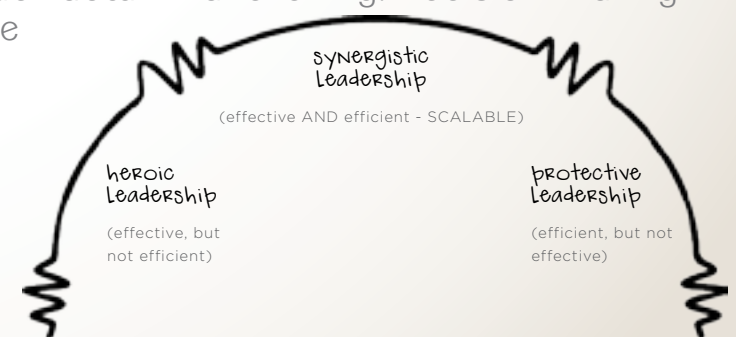
Phase 2: Synergistic Leadership

Moving on from heroic leadership requires discipline and commitment – after all, heroic leadership is very gratifying to the ego and it's exciting. However, for a complex, growing business, this second phase is much more effective: consistently making high-quality decisions *as a team* and putting the systems and processes in place to execute them. In short, you need to develop High-Quality Team-Based Decision-Making (HQTBDM).

This requires making decisions slow(er) so that we can go back to implementing fast, thereby becoming effective and efficient. It also means moving the loci of decision making away from individuals or dyads and triads toward a robust senior leadership team.

For those executive teams who master this transition from heroic to synergistic leadership, anything is possible. For those who don't, their business is doomed to limited, albeit hyperactive growth.

Phase 3: Protective Leadership

In theory, with synergistic leadership and HQTBDM, any executive team can continue scaling their business to whatever size their industry will allow (and even further, by redefining their industry).

In reality, most often synergistic leadership slowly ossifies, and over time leaders become protective – of their core function, their resources, their status, their past results, their team, their data.

Debate becomes brittle and overly-focused on process. Decision-making slows down to the point where implementation - if it happens - is a distant afterthought. And that's how the decline of the formerly growth-oriented organization begins.

Which Phase is Your Business In?

Think about how your business is growing… Is it by you and a few others pulling off extraordinary, heroic feats? (Making decisions fast and implementing them quickly.)

Is it as a result of the key executive team making vibrant, data-rich decisions? (Making decisions effectively and implementing them efficiently.)

Or are you eking out marginal, incremental growth from a group of protective leaders? (Making decisions slowly and implementing them ineffectively.)

Read on to find out how to put (and keep) your organization on the path to scalability.

4D

Having worked with hundreds of leadership teams, we've found that there's one thing that sets high-performing teams apart. Is it the brilliance of their ideas, or the courage of their decisions? Surprisingly, no.

In every case, what stands out above all else is the rhythm of their discussions. There's an underlying drumbeat, and it sounds like this: ***Data; debate; decide or defer****. We call it* ***4D****, and here are the key steps:*

Data

High-performing teams start with data. Not anecdote, not pain points, not speculation, not opinion – data.

That's not to say that the alternatives are valueless – anecdote, pain points, speculation and opinion are all valid ways to uncover candidates for discussion – but once something gets on the agenda, the only place to start is with consideration of hard data.

No hard data, no discussion. How much would that principle shorten most of your team meetings?

This data should be circulated in advance, with the understanding that everyone will review it prior to the meeting.

Debate

Debate is at the heart of high-quality team-based decision-making – but not just any sort of free-for-all debate. High-performing teams only debate the underlying data (as we've already seen), and most importantly, they do so dispassionately, objectively, and with only the good of the enterprise at heart.

If this sounds a little too unrealistic to expect from your hard-charging, passionate team members, try using the 20 most powerful words in business as a starting point. Also known as the Enterprise Commitment, it states: "When working in a team or group environment, I will place the interests of the enterprise above my personal interests."

Decide or Defer

It's time to fish, or cut bait – you've assembled the data, debated it, and now it's time to make a decision. It sounds easy, but most teams flunk this part of the process.

How? Simply by letting the debate stage rumble on for so long that when the time comes to make a decision, everyone in the room is tired, confused, or both – or worse, the debate goes on for so long that there *is* no time to make a decision.

Here's a simple tip for avoiding this: agree in advance on the precise time at which the decision will be made. If you're starting the discussion at 10am, agree in advance to move to a decision at 10:45am (or 1pm, or 5pm – whenever is appropriate for the matter under discussion) – and stick to it.

If for some reason you can't make a decision then, it's almost certainly because some key data is missing. In which case, defer the issue until the needed information is available.

So the first key decision-making strategy is 4D: data; debate; decide or defer. It's the rhythm of success.

DATA

DEFER

DEBATE

DECIDE
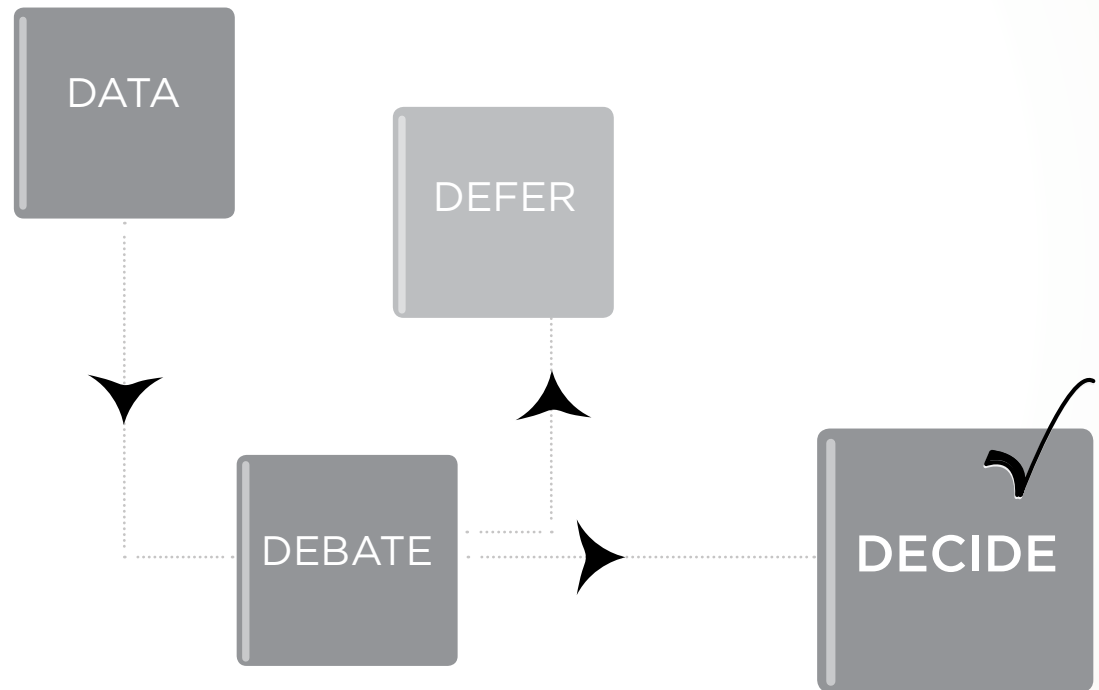
Ready to Bring a High-Quality Decision-Making Process to Your Team? We can help! Click Here to Get Started.

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3i

*The ability to consistently deliver high-quality decisions from the 4-D process requires that the individuals on your senior team develop **a minimum level of competency in three key areas**, each of which are supported by three essential behaviors.*

Investigation

Investigation means making this simple commitment: We will take time to identify and understand the underlying data we need to make an effective decision. What this means in practice will vary of course.

We might uncover all we need to know about a simple issue in 90 seconds or less by simply asking one or two questions. Gathering the information needed to decide about opening a new plant or launching a new product, on the other hand, might be a major months-long project involving multiple teams of people.

The secret lies in getting the balance right. Most of us are either too cavalier – rushing into a decision without really taking the time to gather and understand all the underlying information; or too risk-averse – edging toward 'paralysis by analysis' and spend way too much time gathering and analyzing every last microbe of data.

Behaviors to assist with Investigation

Each member of your team should have a minimum grasp on the following:

- *Intellectual Rigor: Asks as many questions as are necessary to uncover all the material information required to make any needed decision.*

- *Embraces External Change: Identifies, assesses and embraces positive change agents, and identifies, assesses and accounts for unavoidable negative change agents.*

- *Financial Understanding: Has the ability to read and understand the basics of an Income Statement, a Balance Sheet and a Cash Flow Projection.*

Interpretation

The skill of interpretation is about taking the information we gathered and analyzed in part one and using it to make an actual decision. Here opinion and personal preference can overpower our ability to make a high-quality decision and it's important the team strips anecdote and emotion from the stage.

Again, this step will vary from decision to decision. A water-cooler discussion about whether or not someone can have next Friday off may move seamlessly through investigation ("Is there anyone in that day who can cover for you?") to decision ("OK, then, sure") in a nanosecond. However, interpreting all the information gathered to back up that new plant decision might take weeks or months.

The key is in getting the balance right. Great leaders match the interpretation time to the size of the issue, whereas micromanagers grind over every decision, large or small. Cavalier leaders get bored easily and too often press for quick decisions.

Behaviors to assist with Interpretation

Each member of your team should have a minimum grasp on the following::

- **Stamina:** *Has the mental, physical, and emotional strength to concentrate for prolonged periods on the detail of both decision-making and implementation.*

- **Discipline:** *Maintains focus on and commitment to a course of action until it is completed.*

- **Objectivity:** *Is committed to base decisions solely on the appraisal of the relevant facts, and without undue consideration of personal prejudices.*

Implementation

Finally the third – and co-equally important part, the follow-through: Implementation. As many of us experience regularly with New Year's Resolutions, making a great decision isn't enough – you have to actually implement it.

This may seem like a no-brainer, but think about it. How many perfectly good decisions or initiatives have you seen made in the last year that never received proper follow through?

Except in the smallest of organizations (where there's nowhere to hide, so transparency and accountability is inherently high), a frighteningly large percentage of otherwise excellent decisions are never fully implemented.

Behaviors to assist with Implementation

Each member of your team should have a minimum grasp on the following:

- *Consensuality: Commits to early, frequent, and congruent consultation with key individuals, specifically with those holding authority, responsibility, and/or influence over the implementation of key decisions.*

- *Communication: Commits to fully explain, to as many stakeholders as possible, as often, and in as much detail as is required, the key implementation steps for all major decisions.*

- *Accountability: Establishes formal structures and processes in which each team member is held accountable for the satisfactory conclusion of his or her implementation commitments.*

Making the Most of 3i

You'll undoubtedly see some overlap between the 4D process and the behavioral groups of 3i. The easiest way to look at it is that 4D is the "How of the process" and 3i is the "How of the people and their skills".

Your senior team doesn't need to be Jedi masters of each of the 9 skills in 3i, but they need a minimum understanding, appreciation and application of each in order for 4D to work effectively. The less present they are in your team, the less effective 4D will be.
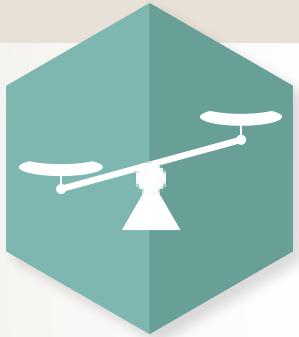
*We've seen the mindset we need for high-quality decisions, the process we should go through and the behaviors which need to be present in our team. The next step is **to ensure diversity of thought and balance between styles.***

We are all one (or a mixture of) four leadership styles – **Visionary**, **Operator**, **Processor** or **Synergist**. If you don't know your style already, **click here** to find out.

Each style brings its own strengths and potential challenges to team-based decision-making. Too much Visionary, and you make emotive decisions and find yourselves distracted as a team. Too little Operator, and your decision isn't grounded in reality. Too little Processor, and you can't replicate or sustain the decision. Too much Synergist, and you end up in endless debate without moving to action.

With a balanced team, you have the perfect blend of creativity, real world implementation, the ability to sustain, as well as buy-in and ownership from your people.

To build a truly scalable business, your executive team needs a precise balance of all 4 styles.

That balance lies in this simple, proven formula:

$$V + O + P + S = 960$$
$$\text{where } V = O = P = S$$

What's your team's balance?
*Have each member of your executive team take the **Leadership Styles Quiz**:*

TAKE THE QUIZ

Then add up and average the scores across each style. The total scores should add up to 960. Your goal as an executive team to ensure HQTBDM is to get as close to 240 across all styles as possible. (Note: you shouldn't be aiming for each individual to have a complete balance, that would reduce diversity of thought. Instead you should look for strong Vs, Os, Ps and Ss and that the average is a balance)

Where you're lacking in a style, bolster your team with someone who can play that role in your decision-making process. Give each style co-equality and joint input in the decision. We guarantee you'll start to see better decisions – and a giant leap toward scalability – in doing so.

Elevate Your Executive Team's Effectiveness, We'll Show You How! Click Here to Get Started.
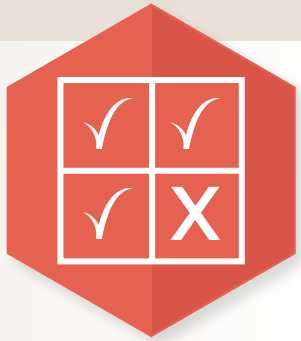
For some organizations, their ability to pump out good, actionable decisions and then make them happen is strangled by one seemingly well-meaning intent: **the search for consensus.**

Particularly for those teams with a high Synergist contingent, the concept of consensus is often defined as 100-percent agreement – unless everyone agrees, we don't have an actionable decision. Not only is this unnecessary, but trying to achieve it in every case will bring your business's growth to a grinding halt.

So what's the secret to overcoming it? Have your executive team make an overt, agreed, formal shift to defining consensus as a 100 percent acceptance of the majority decision.

It works like this:

1. We discuss and debate issues powerfully, honestly, and openly.

For acceptance of the majority decision to take place, it's essential that everyone on the team gets to say their piece fully, without fear or favor, and in an open, transparent forum.

As a result, meetings held by teams using the "majority vote" system are usually richer and more productive than those of "100 percent-agreement" teams, though they also can often be more confrontational and argumentative. In fact, you can't have one without the other. It's the freedom to argue, to make a point strongly without it being personalized, that generates rich discussion.

2. When it's time to make a decision, the majority rules.

As we alluded to in our 4D discussion, there's a messy little truth about most decision-making processes: if you place a firm time limit on discussion and everyone knows there'll be a vote at a specific time, you'll get better-quality decisions than if you just let your team run out the clock with endless debate and try to push through an agreement at the end of the meeting when everyone is tired and irritable.

The next time you have an important team-based decision to make, try this: agree on a "drop-dead" time for a decision, set an alarm for that time, and

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when the alarm rings, if a unanimous agreement hasn't already emerged, simply proceed with a yes/no vote – and the majority vote prevails.

3. When the decision is made, we take cabinet responsibility.

For this process to work, everyone on the team must agree in advance that they will fully, completely sign on to any and all decisions made by majority rule – even if they disagreed with it during discussion.

This is what in the UK is called "cabinet responsibility"– when a body of people make a decision. As a member of that body, unless you believe the decision to be illegal or unethical in the extreme, you have a responsibility to embrace, support, and implement that decision as if you had voted for it at the time.

When a team is using majority rule and exercising cabinet responsibility, there may be blood and gore on the walls of the room while the decision is being made, but once the decision is made, no one "outside" the room should be able to see

any discernible difference in the level and nature of the support of that decision by any of the team members.

If you're experiencing consensus gridlock, taking these 3 steps will transform your business.

*High-quality team-based decision-making will only take your business so far. In order for decisions to have an impact, **they must be implemented.***

Do these scenarios sound familiar?

"We make great decisions, but nothing ever gets done."

"We're talking about the same issues today that we were talking about six months ago, why can't we get this stuff fixed?"

The solution lies in these three steps:

1. Have a separate implementation meeting.

The most common reason that executive teams struggle with execution is because they confuse *making* the decision with actually *implementing* it.

For these teams, coming up with a creative solution to a problem feels like 90 percent (or more) of the work has been done. Discussion around implementation – those gnarly, granular, specific actions needed to translate their amazing idea into reality – get short shrift, squeezed into the last 10 or 15 minutes of a lengthy brainstorming session. Result? A fragile, brittle implementation plan, short on detail and with little buy-in.

The answer? Split apart the decision-making and implementation processes. Use a brainstorming session to first identify the needed solution(s) – i.e., make the initial decisions and then schedule a second, separate implementation session, solely devoted to implementing those decisions.

Here's a hint: the two sessions needn't comprise the same people. In fact, to ensure detailed, thorough implementation, you might want to exclude the big-picture, broad-brush, highly creative Visionaries who will have done such sterling work in the brainstorming session.

Instead, add some Operators – people with a proclivity to action – and Processors, who are good at implementing needed systems and processes, to the mix. You'll end up with a much more practical, implementable plan as a result.

2. Take initial steps immediately.

Once you've split apart the decision-making and implementation processes into two sessions, get into the simple habit of executing the first implementation steps during the implementation meeting.

Don't let that meeting just be about talking shop, even if it does produce a good plan. Send the first memo; order the first batch of raw materials; draft the recruitment ad – whatever the first do-able action step is.

3. Add accountability to delegated actions.

You've seen those impressive Word documents or spreadsheets that emerge from executive team meetings. They list a swathe of action points down the left side, and columns to the right showing who is responsible for each point, and the date by which each will be completed. Clearly delegated, time-based milestones – what can go wrong with the implementation of such a well-planned decision?

One thing: Lack of accountability. Putting a name (and even a date) beside an action point doesn't guarantee it will get done – particularly if there is no consequence to non-implementation.

To fix this, you need to add two more columns to your action checklist: What the accountability process is (to whom, when and how the completion or non-completion of the task will be reported), and what the consequences of non-completion are.

Don't be afraid to combine the two and have fun with it. The prospect of a public dressing down by the President in the next team management meeting can be a powerful accountability tool.

Final Thoughts:

- If you want to successfully scale your business, then achieving high-quality team-based decisions will play an essential role.
- Begin by sharing this e-book with your executive team. Encourage each member to take the Leadership Styles Quiz so you can pinpoint your team's current balance.
- Then introduce these decision-making strategies into your executive team meetings. You and your team will pleased by the powerful results you achieve.

Fast Track Your Team's Decision-Making Process, Contact Us to Learn More! Click Here to Get Started.