What it is

A method to help groups create more clear and effective decision-making processes

What it can do

This tool can assist you to:

- o Train leaders and groups in more effective decision-making

- o Clarify expectations regarding how decisions will be reached

- o Differentiate between and choose from among five different decision-making modes

- o Help ensure appropriate involvement and buy-in to the decision-making process

When to use it

- o When groups are unclear around decision rules

- o Whenever a significant decision is being made that impacts a group

How it works

This tool is available online at: stproject.org/resources/tools-for-transformation

This tool can be used either to help clarify the model for consultants, or given as a handout to leaders and teams.

It is important that:

- Leaders and groups are familiar and comfortable with a range of decision-making modes.
- There be clarity and agreement about which modes are being used for which decisions.
- It is *especially* important that the decision-making process be transparent, and that people are clear about what and when their input (if any) will be given and considered.

Clarity around decision-making is a critical factor in organizational effectiveness. When people aren't sure who's making what decisions and expectations around giving input are unclear, it negatively impacts both the quality of decisions as well as team morale and trust.

There are five decision-making modes:

Tell	Sell	Test	Consult	Co-create

This model has the potential to clear up much of the confusion around decision-making that exists in many groups. Each of the five modes has its use, depending on the nature of a given decision. The involvement of team or group members increases as we move across the styles from left to right.

Mode 1.   **Tell**

- We use the Tell mode when the person(s) with authority simply wants to tell others what to do.
  - o *"We'll meet again next Tuesday."*
  - o *"The report should be no more than two pages."*
  - o *"I need this completed by next Tuesday."*
- In the Tell mode, there's no discussion invited or welcome.
- The person(s) with authority expects the others to do as they're asked.
- The Tell mode is best used for minor decisions that don't need a lot of buy-in, when there are inflexible external requirements, and/or there is time pressure.

Mode 2.   **Sell**

- This is similar to the Tell mode in that the person(s) with authority is still saying what has to happen and no discussion is expected.
- However, in the Sell mode the person(s) exercising authority anticipates that others will need more context or rationale, rather than just being told what to do. For example:
  - o *"I need this complete by the end of the work day. I realize this is a fast turnaround, but we need to get this to ____ in order to have our proposed program included in the conference."*
- People are still being told what to do, but there's an attempt being made to help "sell" the decision, to enroll people in why they should willingly join with the decision.
- We use this mode rather than the Tell style when a little more buy-in might be needed, or we sense possible concerns that we want to proactively address.

Mode 3.   **Test**

- In the Test mode the person(s) with authority is still retaining their power to make the decision.

- They're fairly sure they know what the final decision will be, but want to make sure that others are reasonably O.K. with it, or that they haven't missed something important.

- The decision is not necessarily being opened up for a long discussion, or to generate a new list of options. But the decision-maker does want to check it out before giving the final directive. Perhaps the leader isn't completely confident of the decision, or somewhat more buy-in is needed from others.

  o *"My sense is that is makes sense for us to _____. How does that seem to folks?"*

  o *"We're thinking about going ahead and _____. Anyone have major concerns about this?"*

- There will be limited input. There is not an attempt being made to reach agreement in the group.

- The decision-maker(s) listens, then either makes adjustments or goes ahead with the original decision.

Mode 4.   **Consult**

- In the Consult mode, the person(s) with authority is not clear on what they think the decision should be.

- Actual decision-making power is ***still not being ceded or shared***. The person(s) with authority will still make the final decision. But they do want the ideas and participation of others, perhaps because:

  - The added thinking and creativity of others will make for a better decision.

  - A higher degree of buy-in to the decision is needed for successful implementation.

  - The process of exploring the decision represents an important opportunity to build the team.

    o *"We want to set some new policies regarding our vacation policy. I will be making the final decision with the head of HR, but we really want to know your thoughts about this."*

    o *"We need to decide how to allocate resources among our three campaigns for next year. The final decision will be made by the Campaign Director, the Deputy Director and myself, but we will rely strongly on your input."*

- In the Consult mode, when the leader has asked for input it is *critical* that they get back to people with the final decision.

- It's not required that the leader agree with or exactly follow the input. But people need to know their thoughts and feelings were seriously and sincerely considered.

- Especially when the final decision seems at variance with the input, in order to maintain trust, the leader needs to review the decision-making process, show how the input was considered, and give a considered rationale for the final decision.

- Timing is important. In order for the use of the Consult mode to have integrity, it is important to give space for the input before the train "has left the station." If it's too late for the input to have much impact, it's really a Sell or Test mode.

- It is very important that people are clear from the beginning that this is only a Consult and not a joint decision. The failure to clarify this can set people up to feel frustrated or even betrayed when the decision maker(s) don't go along with the majority of input.

Mode 5.   **Co-create**

- In the previous four modes, the person(s) with authority still retained decision-making power.

- In the mode of co-creation, a critical line is crossed. Real decision-making power is being given away.

- The group or designated persons are now being delegated power, and now have the final responsibility for the decision. The person with authority may choose to participate in this decision-making process, but only as an equal.

- NOTE: It is very important to not engage a group in the Co-create mode unless the leader is willing to abide by the decision. It is depowering and even disabling for a leader to cede power, then take it back whenever they don't like the decision. (It is, however, possible to pre-establish certain parameters or requirements for the decision.)

- Within the Co-create mode, there are different decision-making rules:

  1. **Majority rule**: the decision is made by voting with simply majority, or 2/3's rule, etc.

  2. **Consensus**: the group must come to agreement of all members.

  3. **Modified consensus**:   the group sincerely strives for consensus. When consensus proves impossible, the group either moves towards a vote, or the person(s) with authority make the decision.

- In the Co-create mode, it is important there be clear and shared understanding of which of the three decision-making rules is being used.

Tips on using the decision-making modes

o The process followed in arriving at a decision will have great impact on whether or not the decision will be accepted by your organization, and success in implementation.

o Always communicate clearly – in advance – about the nature of participation people will have in any given decision. Make conscious use of the model:

Tell	Sell	Test	Consult	Co-create

o Fulfill impeccably the expectations that you create around process.

o The more important the decision to people (and the more you need their buy-in) the more time and care you want to take in creating participation and understanding of the decision.

o If you err, it's usually better to err on the side of inclusivity.

o Except when it isn't. Leaders shouldn't be wishy-washy about exercising their power. It creates confusion and often more resistance.

o Anticipate who the stakeholders are in a given decision. Be sure that you understand their needs and interests. If you're not sure, ask!

o Transparency in the process is critical. When people know what's going on and the steps involved, they are far less likely to project bad intentions on decision-makers.

o Communicate. Communicate. Communicate.
  Keep letting people know where you are in the decision-making process.

o If you make a decision that is contrary to the opinions of those from whom you have asked input, take extra care to explain the reasoning behind the decision, including how and why you chose a different course.

o In evaluating the effectiveness of your decision-making, keep in mind the following equation:

Effective Decision-making

$$ED = \frac{QT \times A}{T}$$

ED = Effective Decision

QT = Quality of Thinking

A = Acceptance "buy-in"

T = Time

Thanks to Peter Scholtes & Jose Acevedo for this model

Choosing which mode to use

Make sure you and your team are clear and agreed what criteria will be used for making a particular decision. Here are some typical criteria:

Time	What is the urgency vs. the time required to implement the solution?
Cost	How much $ does the solution cost?
Permanence	Will it solve the problem 'permanently' or temporarily? Is it addressing root causes or symptoms?
Alignment	How consistent is it with purpose and mission?
Personal Ecology	How will it affect the balance and stress in your life(lives)?
Acceptability	What is the level of buy-in from others affected by the decision?
Standards	How well does it meet external requirements or standards to which you are accountable?
Complexity	How complicated is the solution?
Effort	How much resources and attention (non-monetary) does it take?
Personal juice	Do people want to do this?

The relative importance of such criteria may vary greatly depending on the circumstances and nature of the decision. For example:

- When money is really tight, cost may be the critical criteria.
- When you are stretched too thin, complexity and effort may be most important.

Whichever decision mode is used, what's most important is clarity. When the rules of the game are clear, everyone knows how to play. Clarity around power in teams and organizations promotes empowered and creative engagement