

## Guidelines let employees embrace decision making

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***"Do more than belong: participate.  
Do more than care: help.  
Do more than believe: practice.  
Do more than be fair: be kind.  
Do more than forgive: forget.  
Do more than dream: work."***

*William Arthur Ward, American scholar and author*



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When asking senior or middle managers, to make an estimate of the percentage of decisions in which they have their direct reports participate, in most cases one will hear that the percentage is clearly below 50%.

When asking them about the potential benefits of employee participation, typical answers might include higher employee motivation in general and especially during implementation, more creative ideas, better decisions and improved teamwork.

How come that employee participation is in many cases still the exception rather than the norm?

Consider the case of Tom (real name withheld), the Managing Director of the Hong Kong sourcing office of a European toy company. Tom has seven managers reporting directly to him.

During a one to one coaching sessions he shared with his coach that he recently made an attempt to develop the direction for his Hong Kong office. He arranged a weekend retreat in Macau with his managers and was quite frustrated with the outcome.

Being asked what happened, he said:

“I spent a lot of time preparing for this meeting so that we would come up with a new vision and mission statement and also develop the strategy for the coming three years by the end of the weekend. However, we spent the entire first day discussing the vision for our company, but at the end of the day, we still could not agree on one.

So, I had to decide on what the vision would be. Since three of the seven managers had a quite different view, they were no longer very engaged during the second day. This adversely affected the whole team.

Besides, I can see now that these three managers only half-heartedly implement the plans that we made.”

His frustration and anger was quite obvious. He felt that spending all that effort, time and money and yet achieving an outcome that was far from optimal, was a tremendous waste.

He added: “I could have saved all this effort and just made a decision myself, perhaps ask a few questions to some key managers and then communicate the new direction. That would have been easier, faster and cheaper and the outcome would have been about the same.”

What went wrong? What are the potential pitfalls and challenges when having direct reports participate in decisions a manager needs to make?

First of all, it takes more time. Also, not all the ideas from the participants will match with the manager’s thoughts. Then, there could be too many different and potentially contradictory opinions. And finally, some participants may get frustrated if the final decision does not consider what they suggested.

Luckily, there are ways to manage the perils of employee participation and avoid the kind of experiences Tom had to go through. When paying attention to the following steps, one can reap the benefits of having direct reports participate in decision-making while minimizing any potential problems.

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### **The first step is to define the process.**

It is necessary to be as clear as possible about who is going to participate and their roles in the process. Then the decision-making criteria must be defined and how the final decision is going to be made.

In the case of Tom for developing the vision statement, he could have decided that the seven managers and the Managing Director will participate with equal rights. The HR Manager will facilitate.

Then he could have determined that the vision must be very challenging but achievable, clear, easy to communicate, attractive to most employees, and clearly different from the vision of competitors.

The final decision would be established with the facilitator extracting three options for everyone to vote – the option voted by the majority will be chosen. In case of a draw, the Managing Director will choose between the two most voted options.

This is just an example and may be modified according to the manager's specific situation.

### **The second step is to set clear boundaries.**

In order to come to a decision within a reasonable time and to make the process efficient, it is strongly recommended to establish boundaries around the process.

They could include time allocated for discussion of potential options, "talking

time” per participant to prevent the discussion from being dominated by one or two very outspoken participant and other do’s and don’ts. For example, if Tom wants an open discussion on visions which might include outrageous ideas, then he could state that any suggestion is welcome and may not be ridiculed or objected by any participant during the brainstorming phase.

### **The third and crucial step is Communication before and after.**

Obviously, it is crucial to clearly communicate both the process and the boundaries to all participants before the discussion starts.

What is often forgotten though is to communicate also how the final decision was made. This is particularly important if the final decision is made by the team leader and not by voting.

In the case of Tom, he could have clearly stated upfront that he welcomes all inputs but that he will be the one to make the final decision.

Then, after making the decision, he could have first thanked all participants for their inputs, reassured them that all suggestions were thoroughly considered, and specified the criteria and considerations used to arrive at the final decision.

Should a manager always let direct reports participate in decision-making? The following questions might be a good guide.

- Is the manager open to truly consider different opinions?
- Are the direct reports sufficiently competent to participate in the process?
- Is there surely enough time for a participative decision-making process? Is the manager willing to spend the time and effort to have the direct

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reports involved?

If the answer is “no” to any of these questions, then the manager might be better off making the decision without participation.

It is indeed very frustrating for both the staff and eventually the manager to conduct a participative process but leaving the direct reports feeling that the manager did not seriously considering their input.

In conclusion, employee participation in decision-making and planning may considerably improve the quality of decisions and achieve higher engagement among team members. It is however crucial to manage the perils of employee participation by defining a clear process and boundaries and through effective communication before and after the decision is made.

## **The way to go?**

The concept and impact of participative leadership has been extensively researched since the 1970s. In the book "Enhancing Organizational Performance" (1997) published by the Commission on Behavioral and Social Sciences and Education, the authors broadly define participative leadership as "including all forms of shared decision making with subordinates and delegation of authority to individual subordinates or groups of subordinates".

There has been an extensive quantitative research on this topic including questionnaire studies, field experiments and laboratory experiments which were published in several literature reviews and meta-analyses.

The results of this research show that the evidence from quantitative studies is not consistent. While some studies claim that participative leadership results in higher subordinate performance, other studies couldn't confirm this evidence.

In contrast, descriptive case studies of managers who achieved higher performance levels among their subordinates were more consistent in supporting the notion that participative leadership is beneficial for individual and team performance.

Further research on the quantitative studies revealed that apparently participative leadership is effective in some situations and not in others. Consequently, Vroom and Yetton (1973) developed a theory which specifies the necessary conditions for an improved quality of decision making.

They found that participative decision making is beneficial only when the subordinates can contribute ideas and information that the leader does not possess. Also, it seems to be important that they are willing to cooperate with the leader in finding good ways to achieve shared objectives. Research done by Vroom and Jago (1988) as well as Yuki (1994) support this theory.

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Charlie Lang is an Executive Coach and Trainer who founded Progress-U Limited in 2002. His mission is to assist his clients in becoming excellent leaders for the benefit of all stakeholders. He is a passionate and professional Executive Coach, Mentor Coach, Trainer, Public Speaker and Author of over 100 articles related to leadership, change management and innovative sales.

End of 2004, he started authoring the book "The Groupness Factor" ( see <http://www.progressu.com.hk/Groupness-book.htm> ) which got published in August 2005. Charlie's articles got printed in publications like Human Resources, FZ Magazine, Banking Today, SCMP, Effective Executive and CareerTimes.

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