

Your Employee Assistance Program is a support service that can help you take the first step toward change.

Leadership Analysis, Problem Solving and Decision Making

The first job of leaders is to make decisions. Though making decisions is always a stressful task, to fail to make decisions is to abdicate leadership. Leaders face making decisions in a pressure-packed environment of inadequate input, conflicting recommendations, scarce resources, and budget constraints that limit options. The very personality characteristics that helped them to become leaders may work against them once they have achieved power. There is no simple formula for decision-making, but many leaders act as if there is, relying on one tried and true method for arriving at conclusions even when that method may not yield an optimal solution.

How can new leaders be thorough and methodical in analysis and problem solving without falling into analysis paralysis or simple habit? The secret is to become knowledgeable about the different strategies leaders use to make effective decisions and to flexibly apply these strategies in situationally appropriate ways.

Experts on leadership recognize four major decision-making approaches, all of which may lead to successful decision making in particular circumstances:

The Authoritative decision-making style occurs when leaders simply make a decision based on their best understanding of a given situation and then announce it to their subordinates. The authoritative style is most appropriate to situations in which leaders are experts (possessing the appropriate information and experience base necessary to make the right decision), and to crisis situations where there is little time for consultation. It is inappropriate when subordinates have expertise in relevant areas that leaders do not possess, and/or when there is time to recruit experts for consultation. Many hard-driving 'Type-A" leaders use this decision making strategy by default as it best fits with their personality. However, as this style does not usually maximize decision-making effectiveness, such leaders could profitably work on broadening their decision-making repertoire.

The Facilitative decision-making style involves a cooperative effort between leaders and subordinates to arrive at a shared decision based on input from all parties. In this strategy, leaders actually share decision making authority (for example, making decisions based on a majority vote), so it is important that subordinates included in the decision making process be both knowledgeable and motivated to help leaders arrive at the best decision. Facilitative decision-making is empowering to subordinates, but may also weaken the organization's perception of the leader's ability to lead effectively. It is perhaps best used in situations where risks of making a bad decision are small and gains to be had by including subordinates are great (such as choosing what sorts of benefits programs to fund).

As the name implies, the Consultative decision-making strategy involves leaders making the final call on a decision after having receiving input from knowledgeable and willing subordinate advisers. When time allows, and knowledgeable subordinates are available, this is the best decision making strategy to use. When consultation can increase the likelihood of making a good decision, a wise leader is a fool not to ask. However, leaders should make it clear to subordinates that the final decision is theirs, so as to avoid confusion and disillusionment.

Delegative decision-making occurs when a leader delegates decision-making authority to a knowledgeable subordinate or subordinates. The leader throws the ball to others, and stands back to let them make the shot to the basket. Delegation is part of a balanced approach to management and

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decision-making, requiring leaders to identify and respect the limits of their own expertise. It goes without saying that subordinates who receive delegated decision-making powers have knowledge and experience sufficient for them to make informed decisions. The attractiveness of delegation as a decision-making strategy grows as a function of organization size and complexity. Delegation of classes of decisions to subordinates is a necessity for a leader of a large organization. It is less important for a leader of a smaller organization, although even leaders of very small organizations can benefit by farming out classes of decisions to consultants.

The new leader realizes that no single decision making style will work consistently with the educated staff found in the modern workplace. The new leader does not get locked into a single style, no matter how comfortable that style may feel, but rather chooses appropriate styles as will maximally benefit the organization in each situation.