5 Strategies to Empower Employees to Make Decisions

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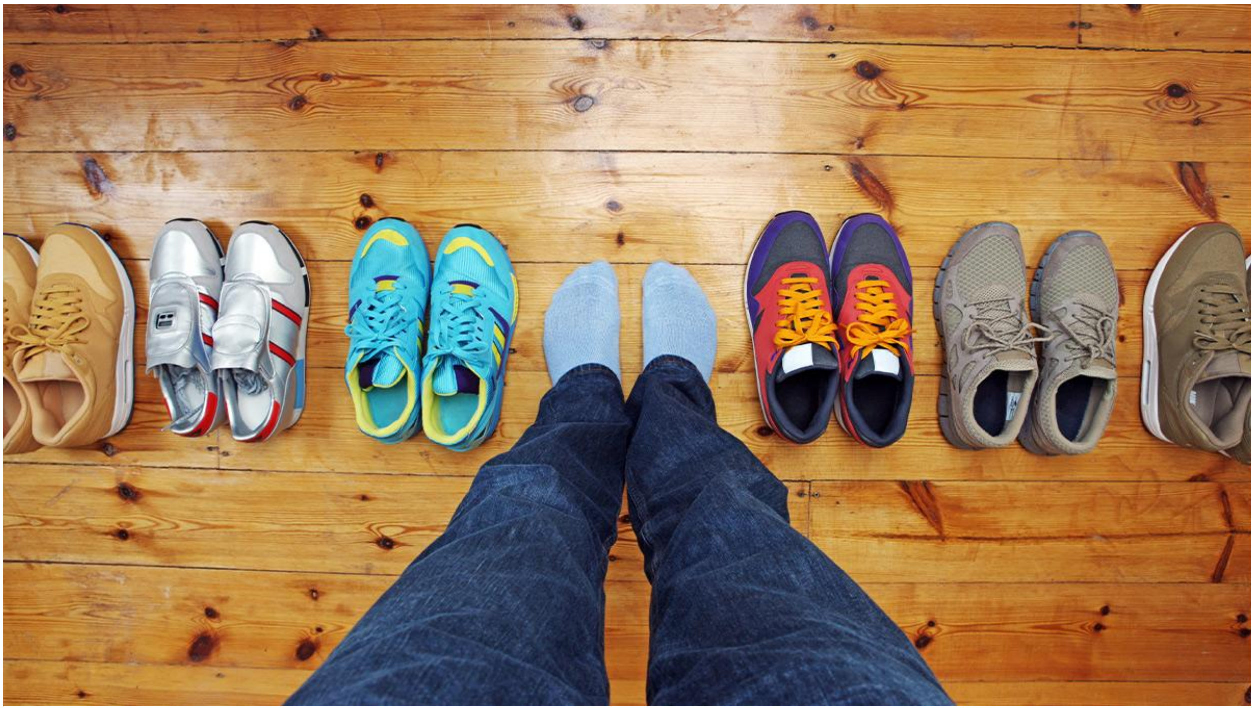

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Summary.

Giving employees autonomy is critical for innovation, performance, and motivation. But while giving your employees more decision-making authority might look straightforward, in practice, it's hard to pull off. The author refers to the gap between the desire for more...more

Autonomy is a hallmark of an innovative culture. The ability to make decisions for yourself enhances motivation, which in turn contributes to higher levels of performance and well-being. It also gives leaders more time to focus on the most significant and complex decisions and explore new sources of value creation. Creating more autonomy involves shifting power from the top and center of the organization to the front line by empowering people to make decisions.

It might look straightforward. In practice, it’s hard to pull off. It’s a big change for executives who have “grown up” in traditional, hierarchical organizations, in which decision-making authority is held tightly by a select few and many decisions are left unspoken.

As a result, employees aren’t accustomed to making decisions. And when they are empowered to take on more decision-making responsibility, they’re often left to figure it out themselves without clear guidance or support. Even the most capable and enthusiastic employees wonder whether they’re doing the right thing. This can feel risky, especially when they see some of their coworkers being laid off; they worry about the consequences if things go wrong.

This gap between the desire for more empowerment and capability (with confidence) is what I call the “decision deficit.” Left unaddressed, employees become frustrated that the promise of greater empowerment and autonomy isn’t followed up with actions and don’t see the opportunity to develop themselves. Leaders also feel frustrated with the lack of progress.

Here are five strategies that can help you reduce this decision deficit.

Prepare yourself to empower others.

Empowerment is a management term that consistently fails to live up to its promise, in large part because executives find it difficult to give up control. They see their role and status as tightly linked to their decision-making authority. Delegating responsibility is seen as a diminution of their power. While they might appear confident and assured, underneath they may feel insecure and lack sufficient trust in others.

Prepare yourself to delegate decisions by:

- Reflecting on what has held you back from empowering people in the past. Was it a failure when you tried? What could you have done differently to make it a success? What were your feelings when you delegated, and what can you learn from them? What will it take to make the first step?
- Planning for a staggered transition of responsibilities, starting with giving low-risk decisions to capable people. This helps build up confidence in yourself and others before you distribute responsibility more widely.
- Considering it an opportunity to increase the quality of your decision-making and to explore other aspects of your role, such as innovation and growth, as you free yourself from some of your managerial responsibilities.
- Reminding yourself why you're doing this — which should be to give people an opportunity to develop and harness their (often greater) insight into the product, service, or market in question.

One of my clients, John,* had to re-examine his own leadership style before he was ready to take these steps. He ran a tightly managed business unit, in which he made all of the calls. But his management style — fed by his underlying insecurities about whether he was good enough — was hampering the team's ability to innovate and meet their ambitious growth targets. Working with one of his direct reports, he identified the employees he could trust the most with some of his decisions, which marked the beginning of his empowerment journey.

Develop a set of decision principles.

Your role as the leader is to encourage your people to think for themselves — not to enact a set of rules for them. Encourage them to consider what is in customers' and the organization's best interests when making decisions. Establish bounds for return and risk. Highlight potential behaviors that might derail sound decision-making (for example, tiredness, myopia, or overconfidence). Insist on transparency so they're able to communicate not only the decision, but the reasoning, as required.

These principles determine the questions any decision-maker should be able answer as they prepare to make a decision:

- **The decision:** Capture and classify the problem that needs to be addressed and the decision that needs to be made.
- **Materiality:** Why does it matter?
- **Timeframe:** When is the decision is required by?
- **Alternatives:** What are the other options? Can you examine from a different perspective?
- **Evidence:** What do you know from direct experience and insights from analytics?
- **Beliefs:** What do you need to believe or assume?
- **Biases:** How have you mitigated potential biases, such as confirmation bias or overconfidence?
- **Criteria:** How will you assess the decision?
- **Stakeholders:** Who should be involved in making the decision?
- **Judgement:** What have you decided?
- **Communication:** How will you summarize and communicate the decision?
- **Review:** What lessons can this decision teach you about future ones?

Clarify decision-making roles.

It's essential to clarify decision roles, rights, and accountability. This starts at the top. Write down the decisions you're responsible for, individually and collectively. Consider whether you're the best person to make these decisions while remembering that you still have overall responsibility — delegation shouldn't be confused with dereliction of duties.

Whether or not to delegate a decision depends on your role, your (and others') capabilities, the materiality of the decision, and the expectations of others. The more complex and sensitive the decision, the more likely it is that you'll retain the decision-making role. For example, one of my clients, Keith Underwood, COO and CFO of The Guardian, said that he won't delegate when "the decision involves a sophisticated view of the context the organization is operating in, has profound implications on the business, and when stakeholders [e.g., employees, investors] expect me to have complete ownership of the decision." Kelly Devine, president of Mastercard UK and Ireland, told me, "The only time I really feel it's hard to delegate is when the decision is in a highly pressurized, contentious, or consequential situation, and I simply don't want someone on my team to be carrying that burden alone."

Identify who you can give more decision-making responsibility to, based on both their capabilities and area of responsibility, and define the scope of what they can make decisions about. Over time, encourage them to cascade their responsibility downward once both of you are confident the new system is working.

For example, the CFO and the president of a division might make the key decisions in a large commercial negotiation, consulting specialists in legal or procurement as required. Then, the business unit leader or product manager can make pricing or resourcing decisions for specific products. Similarly, the person dealing directly with customers can decide how best to respond to customer complaints.

Show your belief in people.

Everyone makes decisions every day at work, whether they realize it or not. This includes how to present yourself, how to react to situations, and where to focus your attention. Taking on decisions that have a bigger impact on your team, such as resource deployment, pricing, and distribution, can invoke a range of emotions — from anxiety to excitement.

Showing your employee you believe in them as they make this step up builds confidence and trust in their abilities. You can do this by saying:

> I want you to take on more responsibility to make […] decisions given you know the [product/service/market/issue] better than anyone. I realize this is a step up for you and it might feel daunting. But I have every faith in you. You've taken on new responsibilities before successfully and I'm sure you can do it again. I'll be here to help when you need me.

One of my clients, Kevin Aussef, global COO at CBRE, a commercial real estate company, calls this process "setting up the person to win." This entails:

- Working out whether they're capable of taking on the responsibility — through their commitment, growth mindset, integrity, and fortitude when things don't as planned.
- Encouraging them to think afresh about how best to make the decision in their remit. For example, what technology and tools could improve the quality of insights they rely on and potentially make some decisions on their behalf, with them in and out of the loop?
- Sharing information and insight openly as necessary so they understand the full picture and the importance of the decision. This includes the wider context (e.g., customer, competitor, and stakeholder developments) and their contribution of these decisions to the strategy.

- Being available for consultation. Avoid the temptation to step in to decide when you feel that it's not going in the way you want, unless there is a substantial risk to the business.
- Giving them your support even if the outcome isn't what you expected. Occasionally, allow people to fail and to experience the negative consequences of their decisions, which will help them learn what they need to do better next time.
- Rewarding and publicly acknowledging success — and effort — to encourage other team members to seek out similar opportunities.

Create learning opportunities.

Clarity and belief go a long way. But there may still be some gaps in decision-making capability and judgment. You can address these by using four learning opportunities.

First, coach people as they prepare to make decisions. Encourage them to assimilate information from colleagues, third parties, and technology, analyze it carefully, listen attentively, and exercise careful judgement.

Encourage them to reflect on decisions, especially when the outcomes were not as intended. Ask questions such as: What didn't we consider? What factors did we underestimate? What perspective might have helped? Who should we have involved? What would we do better next time?

Second, open up the decision-making process — for example, by inviting people into critical meetings as an opportunity to observe, at least, or even using voting mechanisms. One of my clients routinely invites people who are closest to the customers into meetings not only to observe but to contribute their insights.

Third, structure meetings around decisions to amplify their importance and give people opportunities to contribute decisions. In the agenda, lay out the decisions that need to be made. For example, you might write this in an agenda: “The purpose of the meeting is for us to make the following decisions. To do this, we need to consider the following questions.” Open the meeting with a reminder of why the decisions matter and an invitation for everyone to have their say. Throughout the discussion, encourage participants to share different perspectives and challenge each other. At the end, summarize the decisions and specify the people accountable for implementing them. This will help people practice their decision-making skills and ready them to make more complex decisions.

Fourth, communicate high-profile, critical decisions — such as layoffs, the launch of new initiatives, and major investments — clearly so that people can learn about how judgements were made. The scrutiny that comes from this transparency might even improve the quality of decision-making, too.

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Greater empowerment is a laudable endeavor that often fails to live up to its promise. Too often there is not enough attention paid to the conditions that enable decision-makers to step up to the plate. These five strategies will help you create a decision dividend in your organization in the form of greater engagement, productivity, and growth.

** Name has been changed to protect privacy.*