

Collective Decision-Making Breeds New Ideas

Big or small, weighty or insignificant, we all make decisions every day.

On the one hand, a “*what shall we have for dinner?*” decision is usually vested in the person making dinner, whereas a “*should we expand an export market?*” decision is likely to involve several people and could be tackled in several different ways.

Most decision-making follows one of these methods:

- Individual - where the leader makes a decision either with or without team consultation
- Majority vote - where the decision is put to the vote and the majority wins
- Consensus or collective - where a group works together to reach a place where all members are happy to move forward with the decision

All are valid and have their role in any team, but the important thing is understanding the strengths of each process, specifically the consensus approach, and *deciding* which process to apply to which decision (yet another decision to make!)



Crucial to the family business

In a family business, the delineation is doubly important. Obviously the leader of any business needs to have the authority to make decisions unilaterally, as do the managers of the different project teams. But certain issues are better dealt with collectively, especially when siblings and extended family are involved as equals. In these situations unilateral decision-making can sometimes cause long-lasting disputes.

A really useful book for family businesses is *The Family Business Policy and Procedures Handbook*, which comprises a series of articles covering a wide range of family business issues.

One article gives decision-making a thorough analysis. Writer Ellen Frankenberg explains how in the early days of a family business, decision-making was usually up to the individual founder, but as the second generation gets involved at higher levels the unilateral approach is not always tolerated.

“As sibling partnerships mature, second-generation leaders expect more consultation and become less tolerant of unilateral decision making,”¹ she says.

With individual decision-making, the decisions are made by the leader, either with or without team consultation. Collective decision-making, however, means the whole group works together to agree to the decisions being made. Sounds daunting when you have a group of 20 to appease, but this is where reaching consensus gets very exciting because to move forward together you have to become more innovative.

¹ Page 56, *The right way to make decisions*, by Ellen Frankenberg; from *The Family Business Policies and Procedures Handbook*, Barbara Spector, Editor, Family Business Publishing Co., Philadelphia, 2006.

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Get creative with ideas

As you'll know, any contentious issue is bound to bring forth a barrage of differing views. But don't despair! Start by working out what you do all agree on, for example: yes, there is a problem; this is the problem; we need to find a solution. Then brainstorm as many different options and ideas as possible from everyone in the room. Your aim is to find a solution that is acceptable to all concerned and then move forward.

Of course, finding that acceptable solution can be a challenge at times; sometimes it is impossible. When one or two dissenters make consensus difficult, the important thing is to understand what points everyone does agree on and reach a place where everyone is happy to move forward. Sometimes you might have to defer the discussion; other times the group may simply have to agree to put it to the vote.

Value the skills of your team

A culture of collective decision-making demonstrates you value the skills and experiences of your team, and the opportunity to bring all heads to the table to dream up innovative ideas, suggestions and potential solutions.

It also gives people the opportunity to have their say, and even if they are not entirely happy with the outcome, the decision has not been made behind closed doors. Where unilateral decision-making can lead to faction groups of dissatisfied people, collaborative decision-making is energising.

The family business charter needs to address the issue of how decisions are made, specifically, what kind of decisions can be made by individuals and which decisions need a collaborative approach.

And when you've agreed to reach a decision collectively, don't do it around the dinner table. To operate as an effective business unit, you have to keep business and family matters separate. The charter should also set out the process for running structured meetings with agendas, minutes and reports.

Next Steps - Aim for Collective Decision-Making in the Workplace

If decisions come in all shapes and sizes then we need a range of tools to help us make them. For many decisions, the business leader has to retain final say even following a consultative process. However businesses, especially family businesses, should give consideration to a collective approach to decision-making.

- Evaluate how decisions are made in your business
- If mostly individual, consider how you could introduce more team involvement
- Work out what kind of issues will follow what kind of process:
 - Which decisions can be made collectively with everyone's input and with everyone reaching agreement?
 - Which decisions need to be made by you?
 - Which decisions can follow a consultative process with you retaining the right of final veto?
- Recognise the value of collective thinking - your team has a lot to offer; give them the opportunity to bring their ideas and opinions to the table
- Read up on consensus decision-making - there are numerous tools and tips for moving forward when dissenters make consensus difficult



Be sure to read each article with the mindset "How this could apply to our business". Thinking of it that way will guarantee that you get value. Also make copies for each team member. To really make sure something positive happens, work with your business development specialists to talk your team through ideas.



Don't Forget to Ask Your Employees

One of the most persistent and damaging work place attitudes of management is that wisdom resides only at the top of organisations whilst employees down the line must be managed.

As a manager you're a people person. You've got to value the capabilities your team brings to the organisation.

Before making changes in the business, call a team meeting and put the issue to your employees. Discuss the objectives and brainstorm the options. Encourage your team to think beyond the confines of their job description. They will appreciate the opportunity to have their say.

Remember, the person who is closest to the action has a wealth of knowledge about how the job is done. If you believe changes are necessary, ask the people at the coalface for their contribution. If employees know their contributions will be heard, they will be more willing to keep thinking about how the business can be improved... and in today's competitive and ever-changing business environment, the need for ongoing improvement is the one constant.

"Innovation happens most readily when new ideas are welcomed and debate is fostered."

The Family Business Policies and Procedures Handbook. Barbara Spector, Editor, Family Business Publishing Co., Philadelphia, 2006.

Look Beyond Mainstream Advertising

Planning your next advertising campaign? Think about exposure.

The aim of advertising is to sell something, but people buy from brands they know. A successful advertising campaign goes hand-in-hand with excellent branding, and to build your brand people have to see it... everywhere.

So where and how will you get business exposure?

Newspaper, magazine and local radio advertising are obvious choices. (TV rates can be very expensive for many small businesses.) Ads have to be effective to stand out from the competition though, and to build up exposure you have to continue to run them. Many community papers also run popular advertorial options, which is paid advertising but in the form of an article about your business and a photo.

In its simplest form, advertising can include business cards, compliments slips, letterheads, fax headers and email footers. Sharp, consistent branding is constantly working to expose your business.

Follow the branding through to company vehicles, uniforms, machinery and any tools used in your trade.

Websites, brochures and flyers, which carry the same consistent branding, also raise business profile and help to inform the public about what you offer. Letterbox drops or direct-mail letters and pamphlets might offer free samples or vouchers.

Subconscious Message

Static roadside billboards or signs are excellent forms of exposure because people drive past them everyday. Subconsciously, the message gets in even though we may no longer notice the ads because of their constant presence - the 'wallpaper effect'.

Event sponsorship and cinema advertising also attracts a captive audience. When planning this kind of advertising, as well as billboards, remember: it's got to be eye-catching, and there should only be one idea per ad - less is best.

And don't forget the Yellow Pages. For many people this is step one, especially if they have no other contact name to start with.

When planning your advertising strategy consider using each of these media (perhaps not TV if the budget doesn't stretch that far!). The more widely people see your brand, the more top of mind your business will be when a potential customer picks up the phone.



Details of the Job Description

Whether or not you're hiring new team members, a position document or job description should be written for every position in your organisation. As well as being a summary of the tasks and responsibilities involved in the job, the position document should outline all other relevant information including:

Position summary: the purpose or role of the position and the required and desirable knowledge, qualifications, skills and experience.

Duties: the specific duties of the position, preferably in order of importance.

Major responsibilities: the major responsibilities; how much time should be devoted to each (ie, percentage of total job); the expected end result; and ways to measure accomplishments.

Major challenges: the most difficult types of problems or the major challenges faced in performing this job.

Decision-making authority: the authority delegated to this position; the decisions the person is expected to make, and those decisions they should recommend.

Working relationships: the individuals, departments and organisations with whom the position has most frequent contact.

Dimensions of position: any numerical data applicable to this position; the people who report to this position; and, if this position is responsible for the control of funds, give details on the size of the budget.

Position in organisation chart: attach a copy of your organisation chart to show where this position fits in the overall management structure of the organisation.



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