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Decision Making Can Be a Lever for Organizational Change

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Your approach to decision making can transform your culture and help to build a more inclusive, agile, high-performing organization.

BY ALEXIS GONZALES-BLACK AND MIKE ARAUZ

ALEXIS GONZALES-BLACK, PARTNER

Your company culture is defined by how you make decisions. In most organizations, decisions are like air. We take them for granted...until decision dysfunction makes it hard to breathe.

Consider how essential decision making is in your organization. Every strategy, and every action that your company chooses to pursue – or not – is the result of a decision. And how people work together to make those choices shapes every relationship. When decision making gets bogged down by uncertainty, high stakes, and power struggles, it can bring your organization to a standstill.

Decisions shape your organization's culture. The moments when decisions are made show your true beliefs and values. When people make decisions, they reward certain behaviors and discourage others. Who has authority? How is authority shared – or not? Whose voice is heard? How are different perspectives included – or not? Over time, decision-making patterns become customs.

In spite of its centrality, however, most organizations put little conscious thought toward decision making.

At an organizational level, decision making is treated like a bureaucratic checkpoint, or worse, an infernal labyrinth. At an individual level, decision making is treated as a practical skill that can be learned in a 30 minute leadership training course.

But, decision making is so much more than this.

Decision making is the locus of power within your organization, and the primary driver of your company culture.

Power is shaped by who gets to make decisions, and whose perspectives influence those decisions. How people experience those power dynamics in action shapes your culture.

Whether we realize it, or not, how power is held or shared in decision-making moments has a much greater impact on company culture than any "core values" or words in an employee handbook.

If you don't make an intentional effort to improve decision making, your default approach will pull your company toward risk-aversion, bureaucracy, and inequity. But if you thoughtfully design and practice better decision making, you can catalyze a culture of innovation, agility, equity and inclusion.

Decision making can become your most powerful lever for creating positive change.

Decision making is strongly connected with culture. When I think about decision making for a fast growing company, there's a lot of new things, we always want to improve the quality of our decisions – including all the diverse opinions while also maintaining velocity. How decisions are made is one of the key questions that I would ask any organization to understand the culture of that organization."

— JOAQUIM LECHA

CEO, TYPEFORM

How to intentionally design your decision-making process

Based on extensive work with organizations of all sizes, around the world and across industries, August has created a framework for understanding how groups make decisions, and how leaders can use intentional methods both to empower employees and improve the quality of decisions themselves.

While many established theories offer advice on what to do before and after a decision, **our framework zooms in on the decision-making moment itself, and asks: *Who* is making the decision? And *how* are they making it?**
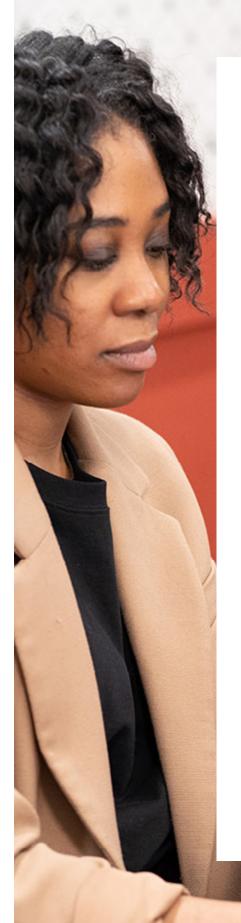
It is in this moment that power and inclusion act as two critical elements that impact the decision itself, and reinforce your organizational culture – for better or worse.

The Decision-Making Spectrum

In our framework, **power** and **inclusion** are complementary forces that flow either toward a single person on one extreme, or toward a group of many people at the other extreme. Sometimes they flow together, and sometimes they flow independently of each other.

In most organizations, approaches to decision making leap from one extreme to the other. Without established processes that are designed to balance power and inclusion, decision makers default to two options: Consensus or Individual Action. And while both of these approaches can be useful in limited situations, they more frequently lead to dysfunction.

INDIVIDUAL ACTION | < CONCENTRATED   **POWER**   DISPERSED > | **CONSENSUS**
| < LESS   **INCLUSION**   MORE > |

Consensus

On one end of the spectrum we have Consensus, where decisions are made by a group of people only when they all agree. This is often the primary mode of decision making, especially in organizations that value "making everyone feel included."

The intention of the Consensus process is to deliberately include all perspectives. This can be a worthwhile goal, especially when navigating uncertain territory or seeking more creative solutions. Decision-making power is held by the group, rather than by an individual.

But these good intentions can easily lead to dysfunction. Teams often lack clarity about the boundaries of who needs to be included. Without a structured process, it's hard for a group to know when everyone agrees. And, while a team may be told that power is to be shared by all members, implicit power dynamics can create significant equity problems.

As Donella Meadows famously articulated in *Thinking In Systems*, any group of self-organizing individuals will almost always coalesce into a hierarchy if left to their own devices.

In Consensus, underlying hierarchies are often invisible, falling along pre-established lines of structural and social power. People with less identity privilege and organizational power will self-silence, while people with more identity privilege and organizational power will speak up. Both groups will do so for the "greater good," to minimize obstacles and keep things moving.

SHERIAN FEASTER,
SENIOR TRANSFORMATION CONSULTANT

MIKE ARAUZ, FOUNDING PARTNER

Consensus thus has a gaslighting effect. Leaders proclaim, "Look how inclusive we are! Everyone has a voice here!" Meanwhile, their decision-making process passively reinforces inequitable systems of power that center privileged voices and sideline marginalized ones.

Summary
The Consensus process is usually slow, arduous, and frustrating. Rather than feeling empowered, team members feel left out or unheard, or even worse, deceived about their true role and influence.

RESERVE FOR THE LARGEST, MOST COMPLEX AND CONSEQUENTIAL DECISIONS THAT CANNOT BE UNDONE AND REQUIRE UNANIMOUS BUY-IN.

USE WHEN THE PRIORITY IS AGREEMENT AND INTEGRATING ALL PERSPECTIVES, EVEN AT THE COST OF SPEED AND MAKING BOLD/EXPERIMENTAL CHOICES.

WARNING: USE WITH CAUTION. LIKELY TO CAUSE DYSFUNCTION.

Individual Action

Individual Action is a decision-making process where a single person decides with little – if any – input from others. This method sits at the other extreme of the spectrum from Consensus, concentrating power and minimizing inclusion.

Companies usually turn to Individual Action looking for speed. When someone is trusted to choose without integrating other perspectives, it can make it easier to respond quickly and to take bold action when needed. Often, this shift toward Individual Action comes after a failed attempt at Consensus has delayed a decision to the point of extreme urgency. The choice may also come with a well-meaning intention to empower a team member. But like Consensus, Individual Action also leads to dysfunction.

Most of the time, Individual Action concentrates power in the hands of a leader who already holds structural and identity privilege. While providing the ability to act quickly, leaders feel tension with their instinct to make the smartest decision possible, and to maintain healthy relationships with their teammates. This leads decision owners to undermine and muddle the process, informally including some perspectives but not others, and giving implicit veto-power to some stakeholders but not others.

Meanwhile, lower-level employees, who are closer to the work, and hold more diverse perspectives, are effectively silenced. Excluding these team members leads to poorer quality decisions and increased inequity.

Summary
Individual Action may help make faster decisions, but not better decisions. It can be effective in limited situations, but the benefits rarely outweigh the costs.

RESERVE FOR DECISIONS THAT HAVE TO BE MADE QUICKLY (I.E. CRISIS MODE) EVEN AT THE RISK OF MAKING A MISTAKE OR EXCLUDING STAKEHOLDERS.

IN LIMITED SITUATIONS, USE FOR SMALL DECISIONS WHERE THE BEST OPTIONS ARE PREDICTABLE AND ADDITIONAL PERSPECTIVES ARE UNNECESSARY.

WARNING: USE WITH CAUTION. LIKELY TO CAUSE DYSFUNCTION.

LEVI BAER,
SENIOR TRANSFORMATION CONSULTANT

We Need an Empowering, Inclusive Middle Ground

These two extremes, Consensus and Individual Action, have very limited application. They perpetuate inequities, create a false binary between speed and inclusion, and disempower the most relevant and valuable perspectives, leading to poorer decision outcomes.

Across hundreds of teams and thousands of decisions, we've observed that two alternative processes for decision making are much more effective for the vast majority of group decisions: **Advice** and **Consent.**

Advice and Consent enable teams to intentionally balance power and inclusion to design a decision-making moment that reliably produces high-quality outcomes, while strengthening a culture of agility and inclusion.

INDIVIDUAL
ACTION
CONSENSUS

ADVICE   CONSENT

BENEFITS OF THE ADVICE PROCESS

SUPPORT EMPOWERED DECISION OWNERS WITHOUT SACRIFICING MEANINGFUL INPUT

DECISION OWNERS ARE ABLE TO MAKE SMARTER DECISIONS WITHOUT SLOWING DOWN

INCREASED CREDIBILITY AND BUY-IN, EVEN ON UNPOPULAR DECISIONS

REDUCE THE LIKELIHOOD THAT A DECISION WILL NEED TO BE REOPENED OR REVERSED

FASTER DECISIONS!

USE FOR DECISIONS WITH A CLEAR DOMAIN, WHERE OUTSIDE INPUT IS HELPFUL BUT NOT ESSENTIAL

USE FOR URGENT DECISIONS WITH ETHICAL IMPLICATIONS

USE FOR UNFORESEEN DECISIONS THAT EMERGE FROM THE WORK

USE WHEN THE DECISION OWNER HAS THE BEST CONTEXT, BUT WANTS TO CHECK THEIR OWN ASSUMPTIONS

USE FOR AD HOC DECISIONS AS THEY ARISE

Advice

Advice is a streamlined method for decision making that is designed for speed, while still holding room to hear different points of view. Advice is a more inclusive and empowering alternative to Individual Action, much like Consent is to Consensus.

An Advice decision is still made by a single person. But unlike Individual Action, the Advice model gives the decision owner an efficient method for including multiple perspectives.

The decision owner shares a proposal with a group of stakeholders and invites their advice. She answers their questions and listens to their feedback. She's still fully empowered to make the decision as she sees fit, but the participants can also trust that their perspectives were heard and considered.

The Advice method infuses the individual decision-making process with greater inclusion. It distributes a small portion of the individual's power to the group in the form of influence, which pays big dividends in morale and engagement, even if participants disagree with the final choice.

A decision made by Advice is generally higher-quality than a decision made by Individual Action, and the process takes only marginally longer.

The Advice method can be a powerful first step for leaders learning to share their power, or who want to build more inclusion into their individual decision-making processes. Leaders may even find that the payoff of stronger decisions and more engaged teams inspires them to embrace power-sharing as the leadership superpower it is!

Advice is also a fantastic tool for distributing decision-making power down the org chart. Those closest to the work are often best-equipped to make a high-quality decision. Leaders can use the Advice method to empower frontline experts to act urgently and decisively on specific issues, while still giving leadership a voice as a participant in the process.

ABORTION RIGHTS PROTEST
BROOKLYN, MAY 2022

DECISION MAKING IN ACTION

Responding to the Overturn of Roe vs. Wade

On May 2, 2022, *Politico* leaked a draft opinion by Justice Samuel Alito that revealed that the Supreme Court would likely overturn Roe v. Wade. On June 24, SCOTUS did exactly that.

At Planned Parenthood, leadership kicked into gear.

Sasha Ahuja, national director for strategic partnerships at Planned Parenthood, sat down with August on June 16 of that year and shared how this massive organization used a version of the Advice method to funnel decision-making power and resources to the grassroots experts who are closest to the work:

"In these moments of rapid response…it is upon us to say the folks that have been most removed from our movements, but most directly impacted, must be at the center.

"My job is to…make sure we're elevating Black and Latino folks in our city and in our state that are doing the grassroots work, that for a long time have predicted this moment, for a long time told us that large national organizations sometimes can't get out of their own way, that the energy and the innovation is always going to happen at the grassroots because they're faster and more nimble. And so in this moment of rapid response, those are the folks that need to be front and center."

Consent

Consent is a decision-making method for deliberately including the perspectives of all participants, even dissenting perspectives, while giving clear authority to a single decision owner.

The key difference between Consent and Consensus is in the type of power held by the group. In Consensus, the group holds the power to approve. The default is "no" until the group collectively agrees to move forward.

In Consent, the group only holds the power to object. Once a decision owner shares their proposal, the default is "yes", unless someone voices a valid dissent. And even when a valid objection is raised, the person objecting is still asked to work with the decision owner to find a way to move the proposal forward.

Imagine if every group decision started with a default "yes," rather than a default "no!"

Consent says "yes" to more proposals, opening the way for quicker, more iterative decisions based on data rather than doubts.

The operative phrase of the Consent process is: **"Safe To Try."**

Rather than waiting until everyone agrees on the best path forward, a decision is "safe to try" as long as it will help the team learn without causing immediate and irreparable harm.

In this way, consent prioritizes progress over perfection.

Participants feel empowered because they are able to voice their dissent without blocking progress. Got a concern? Speak up! Unlike in Consensus, your concern won't bring the conversation to a grinding halt. Instead, it'll be heard, acknowledged, and addressed.

Participants can use the simple rubric on the next page to test the difference between a hesitation vs. valid objection.

BENEFITS OF THE CONSENT PROCESS

PRIORITIZES PROGRESS OVER PERFECTION

INCLUDES DISSENTING VIEWS WITHOUT DERAILING THE PROCESS

IMPROVES DECISION QUALITY BY INTEGRATING DIFFERENT PERSPECTIVES

GREATER INCLUSION WITH CLEARER POWER SHARING

IMPROVES DECISION CLARITY

Consent works well for **complex decisions that require multiple perspectives.**

It also supports **iterative decision making**, helping teams embrace a learning mindset, testing and gathering insights to inform the next step.

And Consent is great for **helping a team get to a clear decision quickly,** especially in challenging and high stakes situations.

When everyone knows that their voice is heard, team members are more willing to support decisions, even if they have reservations.

USE FOR COMPLEX DECISIONS THAT BENEFIT FROM INTEGRATING MULTIPLE POINTS OF VIEW

USE IN SITUATIONS WHERE YOU NEED TO QUICKLY GET A CLEAR COMMITMENT ON A CHALLENGING PROBLEM

WHEN YOU WANT TO CULTIVATE A CULTURE OF EXPERIMENTATION, USE CONSENT TO ENCOURAGE SMART RISK TAKING

USE AS A DEFAULT FOR DECISIONS OF GREATER CONSEQUENCE

Testing Objections

Use the following rubric to determine whether an objection is valid.

HESITATION – STILL SAFE TO TRY	VALID OBJECTION - NOT SAFE TO TRY
I HAVE A BETTER IDEA / THIS ISN'T MY TOP CHOICE	I HAVE DATA THAT THIS WILL MOVE OUR WORK BACKWARDS
I'M WORRIED THIS MIGHT CAUSE A PROBLEM IN THE FUTURE	THIS WILL SET US BACK RIGHT AWAY
IT MAY TURN OUT TO BE A MISTAKE, BUT WE CAN RECOVER IF IT IS	IT WILL BE HARD TO RECOVER IF WE LEARN IT WAS A MISTAKE
⌄	⌄
"SAFE TO TRY" COMMIT IN THE SPIRIT OF PROGRESS OVER PERFECTION	**INTEGRATE** WORK WITH THE DECISION OWNER TO EDIT THE PROPOSAL

DECISION MAKING IN ACTION

On the Frontlines to End the AIDS Crisis

Consent has its own place in the history of direct action. During the AIDS crisis of the 1980s, grassroots political org ACT UP used a version of Consent in its decision making.

In a 2021 episode of *The New Yorker Radio Hour*, Sarah Schulman, author of *Let the Record Show: A Political History of ACT UP New York, 1987-1993*, discussed ACT UP's approach to decision making:

"ACT UP was not a consensus-based movement. People did not have to agree in order for actions to go forward.

There was a one-line principle of unity: direct action to end the AIDS crisis. And that was direct action, as opposed to social service provision. So if you were doing direct action to end the AIDS crisis, you could do it. And if I didn't like it, I might argue with you, but I wouldn't try to stop you from doing it. I just wouldn't do it, and I would go off with my people and organize what we wanted to do.

And as a result, the wide range of action, and the different milieus and levels at which ACT UP responded, was so broad that it created a kind of simultaneity of response. And that was a great contributor to the paradigm shift."

ACT-UP PROTEST MARCH
PHOTO BY ANDREW HOLBROOKE

Advice and Consent: Small Steps Toward Big Change

Advice and Consent are simple, powerful tools for rebalancing the flow of power and inclusion in your decision-making processes. Leaders who practice Advice learn to share power and include more people, while teams practicing Consent learn to empower individuals and make space for constructive dissent.

This is the power of the Decision-Making Spectrum. By making your decision-making process explicit and intentional, you can build a more inclusive culture, make higher-quality decisions, and achieve better long-term results.

Every day, with every decision, your company is changing, for better or worse. By understanding how decision-making influences both power and culture, you can intentionally design a more efficient and equitable approach, and start building a better future for your organization.

Takeaways

Advice and Consent are two decision-making methods that enable intentional design of power-sharing and inclusion, and act as more effective alternatives to the common and flawed methods of Individual Action and Consensus.

EQUITY AND INCLUSION IMPROVE, AS POWER IS REDISTRIBUTED TOWARDS UNDERREPRESENTED VOICES.

TEAMS ADOPT A **LEARNING MINDSET**, AS DECISIONS BECOME ITERATIVE, WITH SMALL EXPERIMENTS, DEBRIEFS AND REFINEMENTS EMPOWERING THEM TO LEARN AS THEY SCALE.

COMPANIES **MOVE FASTER**, AS THOSE CLOSEST TO THE WORK ARE GRANTED THE AUTONOMY TO ACT QUICKLY ON THEIR BEST JUDGMENT.

PSYCHOLOGICAL SAFETY GROWS, AS A "SAFE TO TRY" MENTALITY EMPOWERS PEOPLE TO CONTRIBUTE THEIR FULL GENIUS WITHOUT FEAR OF PENALTY.

About August

August Public Inc. is a Certified B-Corp and organization development consultancy that helps companies transition to more agile, open, and human-centered ways of working. Our business was founded with the belief that today's most valuable work depends on leaders and teams who are capable of learning and adapting fast enough to realize their purpose. We help our partners meet this challenge, in the midst of a constantly shifting world, with our unique focus on simple, practical change and radical inclusion.

Our values at August are team, equity, learning, public benefit, and joy. We strive to embody these values in every project and in every partnership.

Authors

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Alexis is an expert in org design, change management, and the future of work. Over the past 15 years, she has worked with some of the world's most respected companies to design and implement new ways of working that are more agile, equitable, and participatory. Before becoming a Partner at August Public, she was the Org Design Lead at Zappos.com and a Design Lead at IDEO. She is also a former high school science teacher and policymaker. Her book, The New School Rules: 6 Vital Practices for Thriving and Responsive Schools, was published by Corwin Press in 2018. Alexis's work has been widely covered in the media, and she has spoken at national conferences, including SXSW, Culture First, and the Responsive Conference.

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Mike is a trusted advisor to leaders of global organizations looking to transform the way they work. Passionate about undoing obsolete ways of working and organizing, Mike has had the privilege of partnering with Fortune 500 companies to build a model that is better suited for the 21st century. A sought out speaker and thought leader, Mike is a co-author of the Responsive.org manifesto and a leading contributor to the global self-management and future of work movement.

How To: Decision Methods

Advice
A WAY TO MAKE DECISIONS THAT IS DESIGNED FOR SPEED, WHILE ALSO CREATING ROOM TO HEAR DIFFERENT POINTS OF VIEW

Consent
A WAY TO MAKE DECISIONS THAT INCLUDES DISSENTING PERSPECTIVES WHILE ALSO PRIORITIZING PROGRESS OVER PERFECTION

PROPOSE
SHARE CONTEXT AND MAKE A SPECIFIC PROPOSAL; START WITH "I PROPOSE WE…"

CLARIFYING QUESTIONS
PARTICIPANTS ASK QUESTIONS TO CLARIFY THEIR UNDERSTANDING; ONLY THE PROPOSER RESPONDS

REACTION ROUND
IN TURN, EACH PARTICIPANT SHARES A REACTION

AMEND AND CLARIFY
PROPOSER RESPONDS AND EDITS THEIR PROPOSAL BASED ON THE FEEDBACK

OBJECTIONS
IS THE PROPOSAL "SAFE TO TRY"?

COMMIT!

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