DECISION FREE SOLUTIONS



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> > PAGE 1 of 6

DECISION-FREE MANAGEMENT IS NOT AN OXYMORON, IT IS A PARADOX!

- Resolve Frustrations, Free Resources And Make Expertise Matter By Avoiding Hierarchical Decision Making

Decision-free management is not an oxymoron, it is a paradox!

— Resolve frustrations, free resources and make expertise matter by avoiding hierarchical decision making

What is an oxymoron, what a paradox?

For those of you who, like me, are not all that familiar with the definitions of rhetorical devices, I'll start by shedding light on the title of this column.

An oxymoron is a figure of speech in which two contradictory terms appear together. If you believe that "decision making" is an *intrinsic* part of "management", then "decision-free management" is an oxymoron.

A paradox is a seemingly absurd or contradictory statement which when investigated may prove to be well founded or true. In this column it will be shown that "decision-free management" is indeed a paradox.

What is a decision, what is management?

Let's begin this investigation with clarifying what is meant with "decision", and what is meant with "management". According to the Oxford Dictionary a "decision" is a resolution or conclusion reached after consideration, and "management" is the process of dealing with or controlling resources.

The first observation to be made here is that in the definition of management no mention is made of decisions. When it comes to management the making of decisions in dealing with resources is optional.

What a "decision" is needs further clarification. In coming to a decision there is something that needs to be considered: a decision is a *choice* made within a certain context. Within this context *a desired outcome* is to be achieved. A decision, thus, is a choice aimed at achieving a certain desired outcome.

But there is more. The dictionary states that a decision is made *after consideration*, which it defines as "careful thought, typically over a period of time". In this definition lies hidden the clue as to what a decision really is.

Something needs to be "thought carefully" about *only* when a situation is not totally transparent. When you are <u>an expert</u> and the situation is totally transparent to you, then what needs to be done next is entirely obvious and logical. Alternatives will have been considered and discarded, leaving only the one course of action. With nothing to choose between no decision has to be made.

When you are *not* the expert in a given situation, however, no amount of thinking will make you one. You will not be able to entirely rule out all alternatives, there will be something to choose between, and a decision has to be made.

What this means is that a decision is a *special type of choice*: a choice which the decision maker *cannot substantiate* to be obvious or logical in trying to achieve a desired outcome. In short, a decision is an unsubstantiated choice.

This is not semantics, this is logic. Interpreting what a decision actually is is not merely a clever exercise, it has real world consequences. Choices which are not substantiated can be wrong. If something can be wrong it increases risk. Decisions thus increase risk — which implies they are best avoided. [If you are interested you can find an entire article on decision making here].

Decisions increase risk — and there is something that can be done about it

That decisions increase risk bears out in practice. It is the *raison d'etre* of the entire decision making industry. The solutions this industry offers — the institutionalisation of decision tools and assistance, clarification of decision accountability, decision auditing and data centres to provide leaders with more information to spend more of their time with, etc. etc. — are, unfortunately, all based on an assumption which is firmly rooted in the past.

"Decision-free management" is a paradox because it is only seemingly a contradictory statement. Decision-free management translates as: managing without making unsubstantiated choices. Expressed more liberally: managing in a way which fully utilises available expertise.

"Yes, but", you may say, "there is no way you can avoid all decisions! There usually is *no time* to find the relevant expertise, let alone to fully substantiate choices." To which my answer is: you are absolutely right! In today's organisations it is almost impossible to avoid decision making. Organisations often are unaware where what expertise is available to them. Managers tend to be so busy that in resolving issues they do not have the time to do anything else but make decisions.

The whole point of this column is that management should *not* be making decisions to begin with. That hierarchical decision making stands in the way of making expertise matter. That it is something that needs to be overcome. To resolve frustrations, to free resources, and as a means to make change happen.

Hierarchical decision making is an anachronism

Practically all organisations are run using "hierarchical decision making": decisions are made by people *not on the basis of expertise*, but on the basis of formal positions of authority. In environments which are increasingly dynamic and complex, and where wrong decisions can have devastating impacts, this not only increases risk — extra costs, delays, or even failing to achieve the desired outcome — but also causes the experts in the organisation plenty of frustration. This frustration negatively impacts productivity, creativity, workers' health and loyalty alike.

Hierarchical decision making is an anachronism. Historically a team leader or head of an organisation operated in a fairly stable environment of moderate complexity. More often than today

this person was for all extents and purposes an expert. "Management" made substantiated choices, and when decisions did get made — and risk was increased — they did so in a world that was more forgiving.

Today, for most organisations, hierarchical decision making is an outdated and deleterious construct. Managers typically manage specialists in many disciplines and are no longer the expert themselves. In these circumstances hierarchical decision making *forces* managers into increasing risk. Tragically but predictably the knee jerk response to this increased risk is to enter a vicious circle of more management, exerting more control, further restricting the use of expertise, and inevitably resulting in more decision making. What it achieves: a waste of resources, a demotivated workforce, and only *more* risk.

What the decision making industry gets totally wrong

That hierarchical decision making increases risk is something the decision making industry does in fact recognise. Their logic goes thus: managers have to make decisions in an ever complex world; managers — because they are human — are plagued by countless "decision making biases"; these biases make their decisions subjective and poor; managers must be helped in their decision making process by buying into one of the industry's many tools, concepts and programs.

The decision making industry's tragic mistake (tragic especially for those who spend good money on it), is that it tries to improve a fundamentally flawed process. When a manager suddenly finds herself having to perform a critical operation on her husband, the decision making industry will make sure she has all the right information, that she becomes aware of her decision making biases, and that she brings a sharp knife to the table. The simple truth is that managers cannot be consulted into experts.

If management is to deal and control resources into achieving the organisation's desired outcomes against minimal risk, it has to maximally utilise its available expertise. This is not at all a new insight, and there are several management philosophies which try to achieve this. None of them, however, does so systematically.

Methods to utilise expertise can be too challenging to implement

The business methodology known as Lean or Lean thinking uses many concepts and methods aimed at utilising available expertise and avoiding decision making. The concept of "self-management", as described in Laloux's "Reinventing Organisations", is to transcend the traditional "power inequality" by having the frontline of the organisation (where the expertise resides) make important decisions collectively. Podular systems and the management system of Holacracy, accordingly, set out to distribute authority in decision making from individual humans in the hierarchy to pods or circles.

These ways of working aim to utilise and empower expertise, and to create clarity in who is entitled to make decisions how and in which domain. These methods will reduce risk by increasing the number of substantiated choices made. But in the end all they do is *shift* the decision making to those who are *likely* to be better at it, while still accepting unsubstantiated choices. What's more, they don't identify decisions as risks which need to be treated as such.

Albeit conceptually a step forward, some of these existing methods not merely try to do away with "hierarchical decision making", but with the concept of "hierarchy" altogether. Such a paradigm shift is both unimaginable and unfeasible for nearly all organisations. Most organisations will not touch them with a ten-foot pole. They rather implement a way of better utilising available expertise using a method which can do so gradually, reversibly, without having to shed hierarchy and established tools and procedures and often organically formed ways of operating. If only there was such a method.

The method of DF Management is based on logic (and you can contribute)

The method of "Decision Free Management" (DF Management) is a new method for managers to achieve desired outcomes against minimal resources by making expertise matter. DF Management does not require an organisation to discard hierarchy or methods or procedures it is comfortable working with. DF Management merely applies logic to what is already in place at whatever pace works best for the organisation.

In DF Management managers don't make decisions. Instead they ensure the conditions are in place to utilise available expertise. In a hierarchical structure managers don't make decisions, but rather approve or disapprove of what the organisation's expertise proposes.

DF Management will not avoid all decision making, but DF Management sets out to create the conditions to 1) replace decisions with substantiated choices, 2) to let those decisions which cannot be avoided to be made by experts (for further approval), and 3) to identify decisions made as risks to be considered for further risk management.

DF Management offers no elaborate structure but merely guidelines which can be used both locally and across the organisation to utilise expertise. It allows for the identification of those managers and employees who will be able to implement and sustain the required conditions. DF Management can be used simply to identify and reduce risk. As it is based on logic it does so without the need for external consultancy. As it is based on logic, it is also entirely for free.

DF Management is the result of applying <u>the approach of Decision Free Solutions</u> (DFS) to the field of management. It inherits from DFS <u>four steps</u>, <u>five principles</u> and the role of the Decision Free Leader. DF Management is currently under development, a development to which you may contribute.

This entire column is one long invitation to those (in academics, in commercial and non-commercial businesses) who are interested in resolving frustrations in the workplace. Who like to make change happen, who are looking for ways to free resources, and who like to make expertise matter. More information can be found in the last chapter of <u>this DFS article</u>.

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