

Organization Practice

# To unlock better decision making, plan better meetings

How can senior managers get better, faster business decisions from the meetings they attend or lead? Planning is key.



**In this episode of the *McKinsey Podcast*,** Simon London speaks with McKinsey's Aaron De Smet and Leigh Weiss about planning more effective decision meetings. An edited version of their conversation follows.

**Diane Brady:** Hello, and welcome to the *McKinsey Podcast*. I'm Diane Brady in New York. How would you rate yourself in making decisions? Most of us, it turns out, are not great deciders, and the more choices we have, the tougher it gets. McKinsey research shows that executives on average spend almost 40 percent of their time—that's 40 percent—making decisions and believe most of that time is poorly used. In this episode, Simon London looks at the power of decision meetings and how to make them better. Joining him, Aaron De Smet, a McKinsey senior partner based in New Jersey, and Leigh Weiss, a senior expert based in Boston. Here's Simon.

**Simon London:** Leigh and Aaron, welcome back to the podcast. And thanks for being here.

**Leigh Weiss:** Thank you. Good to be here.

**Aaron De Smet:** Great to be here.

**Simon London:** The last time you were here, we talked about different types of decisions that get made in organizations and certain best practices around them. Today we're going to be talking about decision meetings in particular and how to make decision meetings go better. Leigh, why don't you start us off? Why is this such a pain point?

**Leigh Weiss:** One of the things that we found in our research is that executives on average spend almost 40 percent of their time making decisions. Much of that happens in meetings. And 60 percent say that the time spent making decisions is poorly used. It's not very effective. And that's a dramatic statistic when you think about the amount of time we spend at work.

**Simon London:** So with the sheer number of hours that are spent in decision meetings, based on what we can tell, people are just not satisfied with the quality of the output?

**Aaron De Smet:** Exactly. The more senior they become, the more time executives spend making decisions. And it's mostly in meetings. So they're spending, as they get into the senior ranks, more than half of their time in meetings trying to make decisions. And they are saying most of that time is wasted.

**Simon London:** OK, so let's assume I am one of these fairly senior executives. I spend a lot of my time in meetings, a lot of my time on decision making, and I am dissatisfied with the productivity and the quality of that time. Where do I begin?

**Leigh Weiss:** Well, first, I would say there are four common failure modes from meetings that we've observed. One is that you don't make a decision. A second is that you make a poor decision. A third is that you make a slow decision. And a fourth is that you make a low-commitment decision. And these are all common challenges that we need to address.

**Simon London:** And a low-commitment decision is where everybody agrees in principle, but nothing happens?

**Leigh Weiss:** That's right. We all shake our heads and nod yes in the room. And then we leave. And there are backdoor discussions and hallway conversations where we decide, "Actually, that's not what we're going to do."

**Aaron De Smet:** My role at meetings is just to observe them. And one of my aha moments was that most meetings are designed to not make a decision. They're almost set up that way structurally. You end up with a bunch of people in a room—talking about important topics. The job of presenting something has been delegated to an individual or a team. And

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–Leigh Weiss

they come in. And they present. And they haven’t actually made explicit who decides.

So you have a room full of people who are very important, who are very influential, and who are critical stakeholders. And there’s some assumption that either the one senior-most leader in the room decides or that everybody gets a vote. And sometimes the senior-most leaders just don’t make a call, which can be bad, because they don’t have all the information.

And so they invite people and ask, “Well, what do you think? What does everybody think?” And now everybody seems to have a vote. And the problem with everyone having a vote is that everyone has a veto.

So they present the one option that they really want. And they try not to have any dissenting opinions, because, otherwise, one person with a veto just slows it down. And this is where you end up with a low-quality decision.

### **Do we need this meeting?**

**Simon London:** So just to bring it back to the very practical: Again, if I’m one of these dissatisfied executives, where do I begin? Do I look at my calendar and think about the meetings and try to look for these ones that you’ve identified just now as

they’re obviously not set up in a way that’s going to be productive?

**Leigh Weiss:** One of the things that you can do is decide whether you actually need a meeting to make the decision. And often a decision can be delegated to an individual role, a particular person. So there was a healthcare company where the executive committee was being overrun by decisions. And they took a look at the decisions they had to make and cut out 30 percent of them by delegating them to individual roles. Those were decisions like, “What are the benefits that we are going to provide?” That was delegated to the head of HR.

And when you delegate a decision, it doesn’t mean that the person can’t consult others. It just means that you don’t need a group of people to come together to make the decision.

**Aaron De Smet:** I would advise an executive not to start with the meetings—other than cutting them out if possible—but start with the decisions. So one of the problems that you often see is that we start with meetings and topics and who should be informed and aware and involved.

But if you start with a meeting around a topic and who should be involved, you get what most meetings end up being—a general discussion of people presenting things to each other. And that’s part of the problem. And it’s fine to have that meeting. But

then be clear: The purpose of this meeting is not to make a decision. It's for us to present things to each other.

Once you know what decision you want to make, then you can start orchestrating the meeting around the decision. This is one of the first questions: Can this be delegated to an individual? And if so, does the individual want to present something to the team? Because they don't need it for a decision now. Now the individual can just go make the decision. And you tell them, "If you need help and you want to consult people, go for it."

If you really need a group of people to make a decision, you start with who are the decision makers? And if you say, "OK, Leigh and Simon, you are the two decision makers," then I would say, "OK, Leigh and Simon, who do you want in the room with you when you make the decision?"

And if you say, "Ah, I think for this decision—this type of decision or this recurring decision—these are the people who should be in the room," then we set up the meeting that way. We say, "OK, by the way, it's still Leigh and Simon who get a vote. No one else has a vote. But they want you here to help them."

**Simon London:** So I'm hearing two things. Number one, I should start with the decisions that need to be made, not my calendar. But on the other hand, presumably there's a point at which you need to look at your calendar. And you need to ask yourself, particularly about the recurring meetings, "What is it for actually? What is the scope of that meeting?" And to your point about a big executive committee meeting, what's the scope? Has it drifted to a point where it's not clear what the scope is and has everybody forgotten why we first gathered in the first place?

**Leigh Weiss:** What's the scope? And do I need to be there? Am I going to the meeting because I want

to find out what's going on—which could happen much more easily and efficiently if there's a memo or communication sent out afterward—or am I going to the meeting because I have an important say in what's happening? It gets to the point of, first, not reflexively accepting all meeting invitations that come your way. And then, second, being clear about what your role is in the meeting. Are you there to contribute a perspective that will inform a healthy debate and lead to a high-quality decision? Or are you there to spectate?

**Aaron De Smet:** There are companies that in an effort to be collaborative become polite and overly involve people just so no one feels offended. And sometimes a good collaboration doesn't mean that you're super polite and involve everyone.

**Leigh Weiss:** Aaron, I'm reminded of a consumer-goods company that we served that was a very high-performing company and attracted fantastic talent. And they had one of those cultures where they included people because they didn't want them to feel left out.

And we mapped the decisions that they made and the value of the contributions of each person who was involved. And what we found was that across many decisions—dozens of decisions in the organization—on average, 40 percent of the people involved in the decisions contributed no value. And that wasn't because they aren't smart, capable people. It's just that when a packaging decision was made, an HR person didn't need to be involved.

**Simon London:** They don't need to be in the room.

**Leigh Weiss:** They don't need to be there. When they eliminated the unnecessary people from the meetings, their decisions got faster. They got better. And the employee satisfaction in the organization went way up because people were spending time on the things that mattered.

## Select your meeting participants

**Simon London:** Is there actually a rule of thumb? How many people need to be in a decision meeting? At what point does your Spidey sense tell you, “This is out of hand”?

**Aaron De Smet:** I don't think there is a rule of thumb, actually. One of the things we look at is if there are execution partners involved—people who need to execute the decision. Sometimes you actually move quicker and execute quicker if they're there. And so [we say to them that] their role is, “Whatever we decide has direct implications on what you're going to have to do and take action on. And instead of us making the decision and then writing up a memo, you can be right there. When we end, you may not have had much of a role in making the decision. But since you have to execute it, we can now say, ‘OK, all the folks who are here to go execute, do you have any questions? Is it clear? Do you know what the next steps are?’”

And so you can take a decision and move immediately into how to act on that decision. So you have as many people as you need. And sometimes, it's a lot. And other people say, “Oh, you can't have that many people.” But if they're going to execute it, and that's their role, and their role is clear, it will be quicker if they're in the room. What we try to get

rid of is spectators who think, “Well, no, I don't really have to execute. I just want to be in the loop. I want to be aware and know what's going on.” It's like, “OK, you don't have to be here.”

We've had decision meetings with 50 people. If you're really clear who the decision makers are—maybe it's ten people, or a few, or maybe just one—and everybody else in the room has a clear role to play, and we know what the role is and they know what the role is, great.

**Leigh Weiss:** We generally identify four roles that are really important for decision meetings. One is, who's the decision maker? These are the people who actually have a vote. And they jointly align. If they can't come to a vote and a decision, then they jointly align on a plan to escalate or resolve. The second role is the advisers. These are people who have a critical voice and who are deeply affected by the decision. But they don't have a vote. The third role is the recommenders.

**Simon London:** Is it right to think about them as subject-matter experts?

**Aaron De Smet:** In some cases. In some case, they have critical expertise or insight or information that will help make a better decision.

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—Aaron De Smet

**Simon London:** So role clarity in the decision-making process is really helpful just as it is elsewhere in the organization?

**Aaron De Smet:** That's right. So you have the decision makers. You have the advisers. Another important role is the recommender. Who is actually preparing a recommendation for us to engage on? Because in many cases, you have people in senior roles, and you don't just want a free for all. You want it structured in some way. Someone who's saying, "Here are the options we explored. Here are the pros and cons. We recommend option B because of these reasons. This is what it would mean in terms of implications."

**Simon London:** To be devil's advocate though, if that's done really well, do the advisers need to be in the room? Shouldn't the recommender actually have engaged with all the subject-matter advisers and then synthesized?

**Aaron De Smet:** They probably have. The question is do the decision makers want people in the room to help advise them? And sometimes they do. Sometimes they find that extremely helpful. They say, "Yeah, I want to hear, but if we start going down a path of really discussing and debating, I want to be able to ask questions and dig in. And I want to go direct to the source of the expertise, not the person."

**Simon London:** And this is your point around decision quality again. If we're going to have a quality discussion and really kick the tires out on a recommendation, it's going to be helpful to have the subject-matter experts in the room.

**Leigh Weiss:** Our research showed that the number one predictor of fast, high-quality decisions for big-bet, important decisions that organizations make is the quality of the debate that goes into it.

**Simon London:** So you've got your decision makers, your advisers, and you've got your recommenders—and then who is the fourth?

**Leigh Weiss:** And the fourth role is execution partners. So Aaron talked about the people who are in the room because their job is going to be implementing or executing on the decision.

**Simon London:** Right. And in practice, what kind of people might they be? Give some examples.

**Aaron De Smet:** So if you are going to make a big decision about changing how we do pricing, let's say, you might want a number of your commercial and sales and marketing people, even if they don't have a vote. Even if we don't need their expertise, that expertise is represented, if they're going to need to go out and help execute.

**Simon London:** So what kind of people might they be, the execution partners?

**Aaron De Smet:** I mean, it could be any number of things, but if you imagine a company making a big change in how it does pricing, you might want a number of product, marketing, sales, and commercial people who have to help execute that—across geographies, across brands—in the room, because they can help more quickly execute it.

They don't have to be *in* the room. You can have a formal memo typed up. You can send it out. You can have them email back questions of what they don't understand. But you will execute much faster. And one of the pieces of research is that speed matters.

So you can have a high-quality decision. And you can feel like you made it quickly.

**Leigh Weiss:** The counterintuitive insight here is that you can move faster by involving more people sometimes.

**Simon London:** Right. And this is why there is no rule of thumb. You can't say, "More than six people in the room is a problem." You just have to be really clear about who's there for what.

“Deciding to do something and actually doing it are different. It’s not just deciding fast. It’s then executing it and moving fast.”

–Aaron De Smet

**Aaron De Smet:** Yes.

**Leigh Weiss:** What their roles are.

**Aaron De Smet:** More than six decision makers with a vote starts to become a problem. But if you have a bunch of people who you want to go execute and you want them to go fast, it can be extremely helpful to have those people in the room ready to get clear on what they need to go do to make it happen.

Here’s a joke that I often tell: Five frogs were on a log. Four decided to jump off. How many were left? And the answer is five, because deciding to do something and actually doing it are different. It’s not just deciding fast. It’s then executing it and moving fast. That’s what you need.

**Simon London:** So one thing that’s occurring to me is that there is a lot of orchestration and prework required to get this right and figure out who should be there. I’m sure for certain decisions, this can become somewhat routine. But for a lot of decisions, someone’s got to figure out who are the six decision makers? Who are the execution partners? For a big meeting, someone’s got to structure the agenda. Who is that? And does that role exist in organizations?

**Leigh Weiss:** Organizations do this differently.

And we’ve seen all flavors of this. It is important to have a role. Many larger, and sometimes smaller, organizations have a chief-of-staff role, whose job it is to coordinate the agendas, the pre-reads, make sure there’s a clear fact base, the right people are there, and the roles are clear.

Smaller organizations that don’t always have the budget for that kind of role will still have somebody play it. They’ll just double hat an existing role. Sometimes that might be the chief of strategy. What’s most important is not what the role is but what the person’s skill set is to be able to figure those issues out.

**Simon London:** So who’s a good choice? What kind of person? What are the skills that you need to do it well?

**Aaron De Smet:** It goes back to what is the decision and who’s involved? So certain meetings might be an operational reading. And they’re all operational people. And you say, “OK, who is the right person to own and set the agenda and make sure all the prework is prepped?” And if there’s a pre-read needed, it’s sent out in advance, and it’s clear. The recommenders know what their role is.

And there's certain things that are just helpful in making decisions that we often don't follow, but these are some of the folks who own the agenda and own the meeting, who can help make sure that those things are followed. If it's really a series of options that we want to debate, make sure that we present the options.

Because often what you see instead is that I present my favorite alternative. I say, "Here's what we should do." And the de facto assumption is that the alternative option is to do nothing or continue doing what we've been doing. And it may be that that's just not really an option. We have to do something different.

And then almost anything I pick looks better than the default. And we end up picking a bad option. Leigh and I have been running this decision simulation where people are thrown into a meeting. And they have to make a decision. And they have all the information they need to make a good decision.

But we set up the meeting structurally to be roughly based on the types of meetings we see. So they fall into all the traps of how not to run a decision meeting. And routinely, those groups make a bad decision. And then we set the meeting up differently and help them clarify their roles and make clear who are the decision makers and how do we want to set it up differently. And suddenly, they end up making a really good decision.

**Leigh Weiss:** With the exact same information.

**Simon London:** So you can prove that the free for all just ends in a bad outcome?

**Aaron De Smet:** It ends in a bad outcome. And it doesn't look like a free for all.

**Leigh Weiss:** And consistently, the executives who participate in the simulations say, "This is exactly what it feels like when we're in meetings."

**Aaron De Smet:** Because they fall into the trap.

**Simon London:** That prompts a thought from me. When you're observing meetings, either in the simulator or actually out in the field, are there telltale behavioral signs from individuals that you see and you think to yourself, "Huh, although these individuals are present, actually their roles are not very constructive in one way or another." What are the things that jump out at you?

**Leigh Weiss:** Lots of them. And the obvious one that always pops out is people who are multitasking in the meetings. And they're on computers or phones or writing some separate notes, and not fully present for the discussion. A second one that always pops out is the one Aaron mentioned a moment ago, people who have individual agendas and don't want to release their agendas to get to a good decision.

So, as an example, I remember working with an advanced industrial company in a meeting where they were making decisions about mid-stage development products—and there were several of them. And every product had its own team. And none of the teams wanted to see their products killed. So there was obfuscating around the fact base or what the data told us about these products and just general advocating for a particular decision based on personal preferences.

**Simon London:** So, in that case, it's like the advisers, the subject-matter experts, almost not being straight, trying to go beyond their brief, trying to make the decision, and not having an interest in a totally enterprise-level view of the problem?

**Leigh Weiss:** That's right.

**Simon London:** Anything that comes to mind for you, Aaron?

**Aaron De Smet:** Oh, many. You see people being overly polite. They don't want to hurt anyone's feelings. So they don't want to disagree. They'll even use language like, "I don't disagree, but—" and then they give a very soft disagreement. But it's so soft that you can choose to ignore it, and so people with



a hidden agenda do. And then you're not having a real debate. And people walk out frustrated.

**Simon London:** By the way, I'm saying "yeah" here, because I'm recognizing myself.

**Aaron De Smet:** It happens. Especially if it develops over time and it gets enculturated. You just see it. Or people who want to be in the loop; they don't really have a role there, but they want to feel like they're contributing. They feel the need to say something, so they'll say something. And it doesn't really help the discussion. It doesn't move it forward. Often they'll be repeating something somebody else said.

And different companies have different cultural barriers. But often the cultural barriers manifest in these meetings. And I have seen many, many executives who, at the end of the day, are so tired because they've been through so many frustrating meetings. And in many cases, they're reviewing the same thing. And they're trying to make a decision. And even when they think they've made it, a month later, nothing's happened.

**Leigh Weiss:** A common meeting culture issue that I see across lots of organizations is the tacit agreement that I won't mess around in your backyard if you stay out of mine. And then you often get one-on-one discussions between, say, a CEO and a business unit head, where none of the other executives are participating. And then a different one-on-one discussion between a CEO and another business unit head.

I remember working with one agricultural company where this happened meeting after meeting. And in one of them, they were talking about introducing a new seed product in Europe. And there had been a tremendous amount of experience with this product in the US. But the US person wasn't going to say anything because it would have been playing around in the backyard of the European.

So none of the information was brought to light. And when they rolled out the new seed product in Europe, they made all of the same mistakes that they had made and corrected in the US. So the implications of these cultural failure modes are really profound for companies.

## Eliminate cultural failure modes

**Simon London:** As a CEO, if you suspect that's going on, you suspect that there are cultural failure modes around meeting culture, what do you do? Where do you begin?

**Leigh Weiss:** So I would say it's not just the job of the CEO to call that out. Anybody who notices that, any executive in an organization, especially at the senior levels—but even middle management and below—should call that out. We know that having good debate leads to better decisions.

So what should they do? They can call on other people and solicit perspectives. Another way to do it is to address it head on and say, "Look, I've noticed that this is how we do things. And I think that's undermining our effectiveness. Can we do it differently? And what would it take from each of you?"

**Simon London:** So just tackle it head on, call it out, name it?

**Aaron De Smet:** One of the things I typically recommend when I get this question is to go through the meetings that you own or can influence and figure out if that is a decision meeting or something else. What is the purpose of that meeting? If it is a decision meeting, you probably need to change it quite a lot. If it's just an information-sharing meeting, that's fine. But if it's a decision meeting, here's what you should do. Number one, you should figure out what are the decisions that are meant to be made in

this meeting? Then you should make sure that the bulk of the time is spent on that, not on the other stuff.

And maybe it's for multiple decisions. That's fine. Just say what they are. And for any meeting on the agenda, list which agenda items are for information, which agenda items are working sessions—where we're getting input, we're shaping, we're problem solving—and which are actually the decision-making parts of the meeting.

And try to make sure that 80 percent of the time is spent on the decision if it's a decision meeting, not the other stuff. Because if you need a long time on doing real work and getting input, that's probably a separate working session with a different group of people. If it's just information sharing, there are other mechanisms that are more efficient. You just email things out or hold townhalls.

**Simon London:** So again, it's this issue of scope creep, particularly with recurring meetings. Over time they attract a kind of bloat and people lose sight of “what's this meeting for?”

**Leigh Weiss:** This often happens when you've got a recurring meeting and the meeting is coming

up—it's happening in two weeks. And somebody goes out and solicits topics for the agenda. We have a meeting. We better figure out what the topics are because we've got to use people's time well.

**Aaron De Smet:** If it's a decision meeting and you don't have a decision to be made just cancel it. Give people their time back. The other thing I would say is, in the agenda, not only use 80 percent of the time on decision topics but also state the decision and actually name who the decision makers are for that decision.

**Leigh Weiss:** And I would say also one of the good practices that I've seen is after a decision is reached or when you're getting closer, ask each person who is a decision maker, one by one, “Can you commit to this decision?”— so that you get their commitment to follow through.

**Aaron De Smet:** Notice she didn't ask, “Do you agree with the decision?”

**Simon London:** No, it's like, “Do you commit?” It's that Jeff Bezos thing, isn't it?

**Aaron De Smet:** It is exactly that.

**“After a decision is reached or when you're getting closer, ask each person who is a decision maker, one by one, “Can you commit to this decision?”— so that you get their commitment to follow through.”**

—Leigh Weiss

**Simon London:** It's disagree then commit.

**Aaron De Smet:** The two decision makers have said this is the decision they want to make. Can you commit to executing and following through and supporting it? Can you commit? Can you commit? Can you commit? And if everybody says they can commit and the decision makers are aligned, you're good.

**Simon London:** It's likely to happen.

**Aaron De Smet:** It very likely will happen.

**Simon London:** Yeah. Can we just map this back to the topic of our previous podcast? We were talking about different types of decisions. And I think you identified three primary ones, which are, number one, the big bets that don't come along frequently but are big set pieces. The more complicated big decisions—but regular cross-functional, cross-organizational decisions. And then finally, delegated decisions. How does what we've been talking about here map to that? Do you approach these different decision types in different ways?

**Aaron De Smet:** You do. The first thing we found is there are three things that make for better decisions regardless of decision type. Number one is to make it at the right level. Do not constantly escalate decisions up to the most senior levels for approval. Also, don't delegate decisions too low in the organization. You have to figure out what is the appropriate level for this decision to be made and who should be involved.

The second is to make sure the people making the decision are very clear on not just their own siloed goals and targets but also the enterprise strategy. What is the value-creation agenda for the whole company? And the third is what Leigh was just talking about: make sure that you get commitment from the people who need to be involved, who are either affected by the decision or who have to help execute it.

**Simon London:** Those are basic decision hygiene?

**Aaron De Smet:** Those are just basic. That's decision hygiene. Beyond that, the most important thing suddenly changes depending on what type of decision it is. I'll invite Leigh to give a couple of examples. I'll start us off with delegated decisions.

If you find that one person can make this decision, you should delegate to that person and not have a meeting. And if they want to consult people, they are free to do so. But you need to empower them and help them make the right decision. And often leaders are not good at empowering people. They're, in fact, really bad at it.

**Leigh Weiss:** So the decisions meetings we've been talking about are not really relevant to the delegated decisions. They're much more relevant to both the big-bet and the cross-functional decisions. Interestingly, what we found in our research is that for the big-bet decisions, companies overall feel like they're doing OK, that they're making good and high-quality decisions.

Where they struggle much more is with these cross-functional, cross-organizational decisions that cut across boundaries. And I think it's those two types of decisions—the big-bet, but especially the cross-functional—where the discussion we've been having about how to set up a good meeting for decisions is most relevant.

**Simon London:** So I'm going to put a hypothesis on the table, which is that for the big-bet decisions, whether it's *called* a chief of staff or effectively it *is* a chief of staff, somebody takes the time and trouble to really orchestrate it because it gets that level of attention. I suspect that for most regular cross-functional decisions, it's really unclear who that chief of staff is. And therefore, this level of orchestration and preparation and clarity just doesn't happen.

**Aaron De Smet:** I would start by clarifying that big-bet decisions are any decisions that have broad implications in the organization. It's not something we make all the time. And in that sense, if it's important enough, you typically find that a lot of resources get put on it, teams get assigned a chief of staff, or some kind of manager gets put on it. I think the bigger challenge there is that companies are starting to find that their current processes for doing that are too slow or invite too much bias. And one of the things that companies can do for their big-bet decisions is find ways to go faster that also reduce bias. And there are lots of ways to do that. But generally, companies are not saying, "We just can't make a good decision." They're making reasonably good decisions. They're just a little too slow. And sometimes they do make mistakes, because they allow for too much bias. And those are two really important things for the big bet. The cross-cutting decisions isn't about getting everyone in a room to make the decision. That one is more about figuring out the steps involved and who's involved in each step.

One of the things that typically happens for these cross-functional decisions that are not at a discrete point in time is that different people are involved in different ways in different parts of the process. I'll give an example.

A typical cross-cutting process for any manufacturer of actual products is sales and operations planning. And that is not a single-point decision. How many blue widgets are we going to make and have in Asia in Q3? Nobody at the beginning of the year says, "This is exactly right." You have a whole process that asks, "What is our unconstrained demand forecast? If it's constrained, what does that mean? If the price changes, what does that mean?" You have various scenarios. You plug it into an operational plan and your manufacturing and supply chain. And over time, it evolves. If you try to get everybody who touches that decision involved in making the decision at a single point in time, it'll just stop.

**Simon London:** Yeah, it's just not going to work.

**Leigh Weiss:** You can't do it. There's also time that needs to happen in between.

**Aaron De Smet:** So the clarity of the process of who's in, what are the steps, who's involved when, and who makes which decision at what point, and when it gets stuck or when there's an exception or when something happens, how does it get escalated and quickly resolved—that's really what you need to figure out there.

## Decide who's the decider

**Simon London:** It's like a therapy. It's like making the unconscious conscious. You need to actually say, "All right, everybody knows in theory how this gets made, now write it down, map it, tell me how does this get made?"

**Leigh Weiss:** That is the number one predictor of success for these cross-cutting decisions.

**Aaron De Smet:** And once you've mapped it, practice it enough that you don't need to go look up the RACI [responsibility-assignment matrix]. Nobody looks up the RACI before they do something. When someone sends them an email, they don't go look up a RACI.

**Simon London:** And the RACI is who's responsible, who's accountable.

**Aaron De Smet:** Which is, by the way, not that helpful anyway. But it's helpful to clarify roles for sure.

**Leigh Weiss:** What we often find is most helpful is that after you map a clear process, get the different stakeholders in a room to run water through the pipes and check that the process makes sense and everybody knows who has which role at what point in time.

**Simon London:** Right. So you might workshop it?

**Aaron De Smet:** You workshop it. And then they're like, "Oh, so that's how we're going to do that? OK. And if *this* comes up, when *that* exception happens, we do it a little differently. OK, I get it."

**Simon London:** And then you take it out into the field. So we are not recommending some overengineered process mapping for every last cross-functional decision, because you're just going to end up with a big messy binder. And no one's going to look at it.

**Aaron De Smet:** Exactly.

**Leigh Weiss:** That's right.

**Aaron De Smet:** For delegated decisions, interestingly, companies that aren't used to really empowering people—sometimes the people who we're trying to empower—don't want it. Because if you're going to empower them, you need to hold them accountable. And some people are like, "Well, I've not been accountable for this decision for a long time."

**Leigh Weiss:** This goes back to our discussion about what kind of behaviors you tend to see around decision making. And you see all kinds of obfuscating. And if a decision's been delegated to me, I might try everything I can to get Aaron to make the decision if he's the one who delegated it to me. I'll say sneaky things like, "Well, what would you do if you found this out or you were in my shoes?" Or I'll form a committee to get people to make the decision.

**Aaron De Smet:** One of the biggest culprits of all these meetings is people who have the clear decision right—it's been delegated to an individual, and they are afraid. They are afraid to make the decision because they feel like if they make a wrong decision, they will be exposed and punished in some way.

**Simon London:** But there's a fine line here, isn't there? Because on the one hand, you want people to

have someone to consult, right? So you do want that. You want them to get input from the appropriate parties. But yeah, you don't want them to hide behind it. So getting that balance right is the key.

**Leigh Weiss:** Yeah, I think it's one of the most troubling phenomena I see in organizations around decision making. This lack of desire to really have accountability for a decision. Because it feels so risky. And I can imagine some of the factors, although I'm not sure what all of them are, that make people feel so afraid of making decisions, and it's so hard for leaders at the top to ensure accountability.

**Aaron De Smet:** In a small, scrappy start-up, where the odds are against them being successful anyway, you see people playing to win. They're like, "We probably aren't going to be successful, so let's be bold. If we're not bold, we're never going to succeed."

And so you see people being rewarded for just going fast, making a call. If they consult the right people and are thoughtful, they're not expected to be perfect. At some point, companies grow big enough and successful enough and have a track record, and someone comes into a role that's been held by five people before them. And they're working for someone who used to have this job.

And they kind of implicitly, unconsciously, start playing not to lose. They start saying, "I just don't want to make a bad decision. If it is a bad decision, I don't want to be on the one who made it. I want everybody to feel like they made it."

**Leigh Weiss:** What do you think is driving that?

**Aaron De Smet:** I think they feel like they've come into a successful company and a successful role. And they just don't want to mess up. And they feel like the mess-ups are the ones that get noticed.

**Leigh Weiss:** Because there's very little upside to making a good decision—and a lot of downside.

**Aaron De Smet:** If there's a track record of things going well and your good decision is just part of that track record, it often goes unnoticed and unrewarded. And so I make a decision ten times, and the first nine times it goes just fine and smooth, but the tenth time it doesn't go smooth; something happens, and it goes wrong. And then my boss comes and says, "I would not have made that decision." Now I get punished.

**Leigh Weiss:** This takes us back to the issue of what works well for delegated decisions, which is bosses who, when they delegate a decision, don't just leave an employee alone to make it; they provide some guidelines, they provide swim lanes for what success would look like. They coach the person to whom the decision has been delegated.

**Aaron De Smet:** Without making it for them, they coach them.

**Simon London:** Exactly. And that was my point about the delicate balance.

**Aaron De Smet:** That's right. It is a delicate balance, as is also realizing that nobody's going to be perfect and make it exactly right every time. And so when you look at if a bad decision is made and there are bad outcomes involved, one of the things a leader should look at is "Well, what is the whole portfolio of decisions they've been making? Did this somehow get to a level of unfamiliarity or go beyond

a threshold where they should have escalated it—where it involved a bunch of other people?"

And sometimes the answer is no, it just happened to be not a good call. By the way, you see this all the time. You see it in sports. In American football, for a long time the statistics have said that on fourth down, teams should go for it way more often than they do. And why don't they? Because when they go for it and don't make it, the coach feels bad.

**Simon London:** It's a headline.

**Aaron De Smet:** They think, "I'd rather just punt it." So that phenomena in sports is even more pervasive in corporate America. People would rather punt than go for it.

**Simon London:** That's right. And there's a reason why that metaphor "punt the decision" has become quite commonplace.

**Aaron De Smet:** People punt way too often.

**Simon London:** All right. So I think we are out of time for today. But that was fascinating. Leigh and Aaron, thank you so much.

**Aaron De Smet:** Thank you, Simon.

**Leigh Weiss:** Thanks very much.

**Aaron De Smet** is a senior partner in McKinsey's New Jersey office, and **Leigh Weiss** is a senior expert in the Boston office. **Simon London**, a member of McKinsey Global Publishing, is based in the Silicon Valley office.

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