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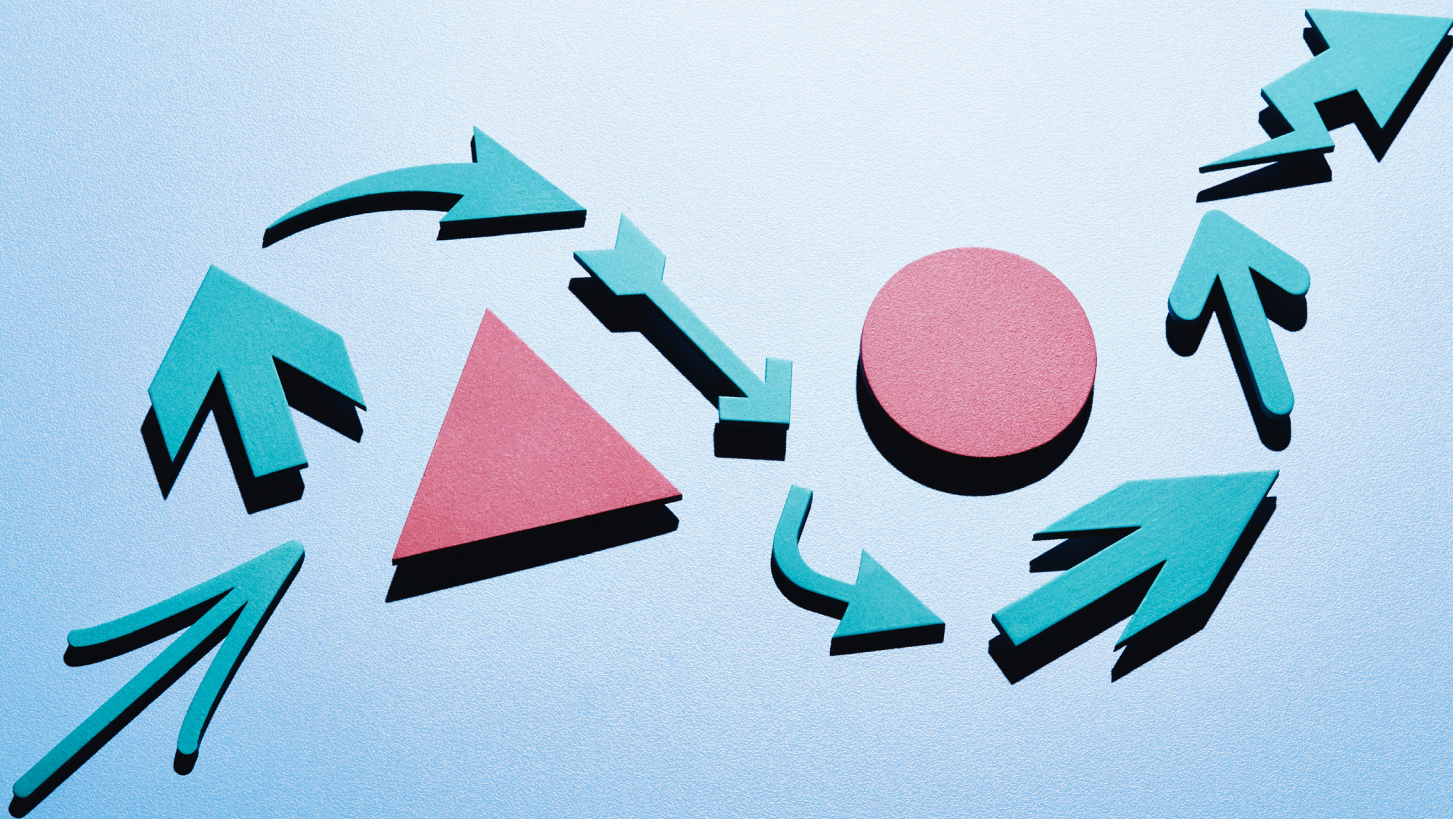
Increasing decision-making velocity: Five steps for government leaders

Government leaders can challenge the norms of how their organizations work and dramatically increase their decision-making speed and agility.

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The current moment provides a critical opportunity to reset how government organizations, leaders, and teams make decisions. The recent climate of unprecedented uncertainty requires even greater speed, agility, and decisiveness in decision making. McKinsey research shows that most companies struggle with this challenge: in a survey of executives across industries, just over half of respondents reported spending more than 30 percent of their working time on decision making—and for 60 percent of surveyed executives, most of that time was used ineffectively.[1]

Having worked with more than ten US government agencies on decision-making issues, we have observed that government leaders face a particularly steep uphill battle when it comes to making good decisions *fast*. This article offers five practical suggestions for government leaders who want to improve decision making in their organizations.

The challenge

Most public-sector organizations face similar challenges in terms of how they make decisions. First, when there is an unambiguous "bottom line" to measure and rally around, the rational approach to governance tends to lean toward building consensus and limiting opposition and dissent. This not only increases the time spent on and cycles required for the decision-making process but also leads to the proliferation of multiple large all-purpose forums with unclear decision rights; for example, in one US federal agency, efforts toward consensus building led to the development of more than 70 governance bodies and a "governance tax"—or burden of time and resources devoted to meetings and decision-making churn—of more than 40,000 person-years annually.

Second, the tendency to minimize risk can also lead to the development of layers of oversight and bureaucracy in an attempt to "grade homework" and bring risk to zero. Counterintuitively, increasing oversight often doesn't lead to more control or lower risk; instead, it can easily create more risk because no layer takes ownership and all control ends up resting with the top—an impossible burden (for example, the secretary of an organization is tasked with catching mistakes and redoing simple work).

Third, leaders' potential options are often heavily scrutinized prior to a decision and, thus, reduced in breadth and scope. As a result, organizations critically shrink their risk frontier—stifling risk taking in favor of an "ultimate compromise" solution.

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[1] "Decision making in the age of urgency: McKinsey Global Survey results," April 2019, McKinsey.com.

The solution

While the climb may be steep, government leaders must tackle the challenges of enabling more agile and effective decision making. In uncertain times, when citizens need government services more than ever, leaders can't afford to delay decisions. Our experience working with government agencies on effective decision making has highlighted the following five steps that can help government leaders make significant progress on the decision velocity in their organizations:

1. *Comprehensively clarify decision rights, then empower decision owners with the authority to execute.* Pick a preferred decision rights framework—for example, a DARE (decision makers, advisers, recommenders, executors) framework—and quickly clarify which individuals actually get to make what decisions and who they have to consult for advice. When choosing decision makers, empower them to make enterprise-wide decisions. Communicate these decision rights to the organization, and then, fully empower and support decision makers so they can make rapid progress. If roles are violated (for instance, advisers thinks they have a veto when they don't, or team members push a decision to a higher layer when they have the right to make it themselves), make a correction and communicate about it in real time. Following a decision, communicate the plan and ensure the executor has a clear runway to delivery. Finally, help resolve conflicts and clear bottlenecks on any issues that arise; communicate the decision across the organization to ensure follow through and broad understanding and to limit or address any resistance.

2. *Explicitly define, and hold fast to, the roles of "decision advisers."* Establish norms on who decision owners consult with across the organization or agency and when and how they do so. Often some team members can act as "pocket vetoers"; in such cases, broach and resolve this issue when the decision is made. Inform advisers about the timeline for decision making and reinforce a firm deadline for actionable information. Such efforts will help ensure timely external input and maintain the speed (and sanity) of the decision-making team. Reinforcing these norms across the organization early on will help cement the delineation of adviser with decision maker and prevent instances of decision-making creep (such as advisers becoming part of the decision-making team).

3. *Abolish the defined meeting cadence and cleansheet a new, agile meeting cadence to convene the right people at the right times.* If a governance construct involves a set of stable bodies with several attendees who meet frequently and it's not clear when, how, or even whether they make decisions, then get rid of it. Replace it with a far leaner, more agile governance construct in which decision makers have ways to quickly get relevant individuals (such as key advisers and recommenders) into a room to get input and align on a direction. Creating a forum where people can get into a room together and hash it out can cut out the need for arduous and time-consuming staff work that can get bottlenecked in the system and slow down decision making. As government leaders build toward agile governance, they should note that there will be immovable requirements tied to risk and their organizations' missions.

4. *Create a high-velocity senior leadership team to clear bottlenecks and ensure alignment on tough decisions.* If government leaders don't already have a small forum for their organizations' senior leaders to get together and find resolutions for the toughest problems facing their enterprises, then they should consider standing one up. As per Jeff Bezos's famous "two pizza" rule, making sure the group is small enough to split two pizzas helps facilitate more meaningful dialog about key enterprise issues; however, at the same time, try to incorporate representation from the most important policy and operational worlds. This team should tackle

only the most critical, cross-cutting issues facing the organization and *only* the ones that can't be resolved quickly at lower levels. As part of the discussion, ensure the senior leadership team is aligned on how decisions will be cascaded and supported by all senior leaders; doing so will provide transparency and support across the organization, increase and hasten the adoption of decisions, and help the leadership team to speak with one voice.

5. *Identify key outcome-based metrics sharpened with a data-based edge to hasten the speed of decisions.* Private-sector companies have clear metrics they use to measure performance to the bottom line. Though performance is more difficult to define in the public sector, it's still incredibly important and completely possible. Start by setting unifying target outcomes that agency members understand and support

(for instance, delivering services or citizen experience). Then cascade these metrics across the organization to define performance on those targets. Review performance on these metrics regularly (for example, monthly), and use that data to drive decisions about matters such as resource and talent allocation. When a team member proposes a new or alternate option to a decision, ask how it will help the organization improve performance on its targets.

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Taking these five steps can move government leaders down the path toward faster, more agile, and, ultimately, more effective decision making. Additionally, following these steps will help government leaders reduce the governance tax facing their organizations today.

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