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THE NEXT BIG STEP

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Deciding Factor

Decision making is about taking responsibility, reacting to repercussions and may be even receiving flak. **Kavita Krishnamurthy Madiyal** asks professionals how important it is to take a call

Right from choosing the mode of transport, to the kind of food we eat, we all have to make decisions. Sometimes we mull over the matter, at other times we just go ahead and take a call. Decisions form the most important aspect of our lives. And that's the same case with managers. "That's what he is being paid for," says Raghu Raman, CEO, Mahindra Special Services Group. "Decision making is not about deciding what is right and wrong. For a manager or leader, the challenge is choosing between a right and a right decision," he adds. What is right can be a function of time. What is right now, may not be so three years hence.

For Avirat Sompal, managing director, 4004 Incorporated, India, decision making is one of the biggest skills that a manager should have. "Managers have to decide within time constraints," he explains. "Everything depends on the decision a manager takes and how fast can he handle the repercussions of his decision, if any?"

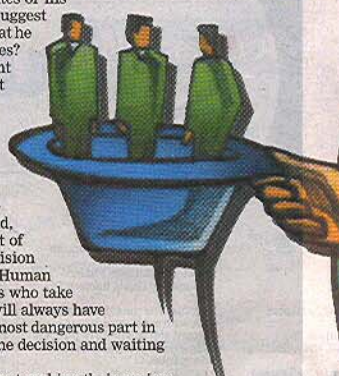
So decision making is the core function of a manager that separates him from any other worker. According to Raman, there are three categories of decision making—Decision on the basis of facts, data and records, on the basis of gut call and decisions based on commitment and clarity. "In fact based decisions, the managers are gathering information and take decisions based on this. But it's a compromise on time," he says. The second type is about taking a decision on-the-spot based on a gut call.

In the third type, there is war between commitment and clarity. If you make a commitment, then there is obvious clarity in the decision making. "But if a manager lacks clarity can he meet a commitment?" is a question he asks.

Sometimes a manager takes a decision alone, at other times he discusses with his subordinates or with his seniors. What does a manager do when his thought on a decision differs from that of his subordinates or his superiors? Should he go ahead with what his seniors suggest despite disagreement? Should he take a call and decide what he deems fit disregarding the difficulties of his subordinates? "He should take into consideration his subordinates' point of view and as far as his seniors are concerned, he must make his point clear," asserts Naresh S Sahani, MD, BMG India. "Many times there are preconceived notions while making decisions. In such a circumstance, one needs facts or data," he adds.

There are various types of decisions like strategic, operational, transactional etc. A manager should ideally look at various aspects whilst taking a decision—technical, commercial, financial, HR related, environmental. "One must take into account the impact of the decision, as this will decide the urgency of decision making," elaborates Shrikant Dikhale, vice president, Human Resources, Goodlass Nerolac Paints Limited. "Managers who take reasonably quick decisions based on proper evaluation will always have an edge over those who take an unduly long time." "The most dangerous part in decision making is about not taking what they think is the decision and waiting for an ideal decision," smiles Raman.

So how do managers take an intelligent decision without making their seniors and peers feel threatened? "I don't think there is anyway to take a decision and keep



everyone happy always," says Sompal. "And that's why there is a manager. He should be the one responsible for his decision and not the others. A manager should tell his subordinates that he will do things in a particular way as he is responsible for it."

Sahani believes that one must always take a decision based on the larger

stakeholder and make it clear to people about it. He says, "When you make a proposal you must certainly look at data and the stakeholders perspective."

In Goodlass Nerolac, decisions on all corporate strategy issues are taken by the Management Committee (MC). For example, the sensitive subject of compensation is initiated by HR but is discussed and deliberated upon by the MC members and a collective decision is taken. The firm also has a Business Analyst Team (BAT) which has senior managers as its members and who are given cross-functional assignments with a view to develop their leadership skills. Dikhale feels that the best way to work in teams is to sell one's ideas and influence others so as to get the buy-in from all team members. "Although, initially, the decision maker may not get the entire credit for the ultimate decision, he/she will, in the long run, be recognised as a collaborator and a key contributor," he explains. "If one is focused on the end-result, rather than self-projection, success is guaranteed."

There may also be times when a manager takes a decision which turns bad over a period of time. How good or bad does it play upon his image? "I don't think it will be that negative," says Sompal. "It may cause a bit of normal office gossip, but I think indecisiveness is the bigger problem and a manager should not cover it up," he adds.

"Its situational," asserts Raman. "A manager must take the best decision based on what he has." Sahani believes that one must learn from his experience. "A manager has to take responsibility. He must take the flak and as long as he does not repeat the mistake one does not have to worry," he says. "I think decision making skills are the expertise of any leader. If one shirks decisions, it shows how weak his trait as a manager is," says Sompal. "Anyone leading a team should have good decision making skills," he concludes.



Things to consider before taking a decision

- Inquiring about all possibilities
- Looking at immediate repercussions
- Examining the motivations of people suggesting something
- Priority of decision
- Circumstances under which the decision is taken
- The opinions of others
- Taking the decision at the right time
- Maintaining a balance between optimisation in a particular circumstance
- Looking at the bigger picture-What's good for the department may not be good for the company
- Facts and feelings of people
- Advocating the decision