

## Decision Making and Authority, Influence and Appreciation

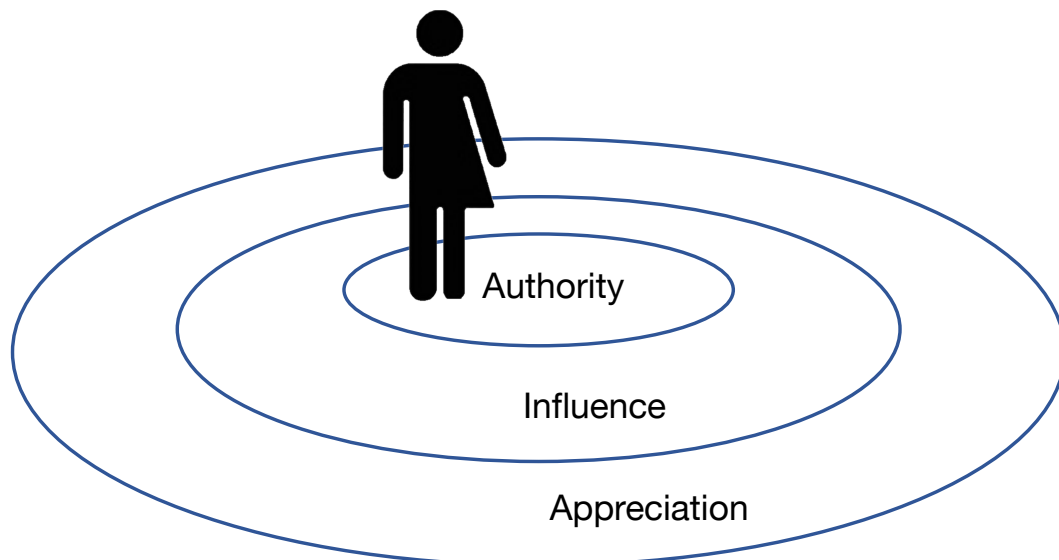
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John Shibley

This idea about power and decision making has ended up being one of the most useful things I've shared with clients over nearly forty years of consulting work. It has application everywhere, and it can untangle some of the most common and vexing organizational messes. Plus, the categories of authority and influence can work themselves into your organizational vocabulary and quickly become a useful shorthand.

### The basic idea

We each stand inside three concentric circles that describe our power regarding a decision.



- The first circle, the one closest to us, are those things over which we have **authority**. These are the issues where we have the last word, the areas where we can make decisions stick. For example, most people have authority to hire their own reports, or to spend from their budgets up to a certain amount without needing approval.
- The next circle out are those issues over which we exercise **influence**. These are those areas when someone else has authority, but we get to influence their decisions because of our role or some knowledge we have.

Most of the time, most of us are in this position. On most of the teams we sit on, we are influencing a decision that someone else will make. A hiring manager may ask us to interview

several final candidates for a position, for example, but they will retain the final decision-making authority.

- Finally, the largest circle contains the things that we have neither authority nor influence over. These are things we can only **appreciate**. They are just the way things are. When a manager makes their hire, we can only appreciate that they did. This is true of any decision: once it is made, someone who had influence before the decision was made no longer has influence, and they are thrust into the circle of appreciation.

It's a simple model, which is one reason I am always surprised by the complex conversations that it gives rise to. For instance, it is quite common for me to hear someone saying that they have authority over a decision, but their boss has the final say. It strikes them as a revelation to reframe that situation using this model, which argues that it's the boss who has the authority, since they are the one who can make the decision stick, and that their role is to influence their boss.

### In Practice

Here are some practical consequences of this model.

- This model informs one of my key principles as a consultant, which is to identify the person with authority and put them in charge.

If a team is having a discussion that feels unproductive, one in which they are obviously frustrated, I will ask who has the authority to make the decision. I'll have that person move to the head of the table (the physical move is important) and then tell the rest of the group that they are this person's consultants, and their role is to help her make this decision. I then turn to the person with the authority and ask, "What do you need to hear from your consultants?"

Physically moving the person with authority and giving them control over the discussion reinforces their authority. It also gives the influencers an opportunity to be genuinely helpful by asking them to function in their real role, rather than letting the conversation suffer in unnecessary role ambiguity.

I remember a leadership team discussing which software package to choose for internal scheduling. The conversation was not moving the team any closer to a decision. After ten very unproductive minutes I asked, "Who has the authority to make this decision?"

The CEO said, "I do."

I asked her "What else do you need to know to make the decision?" She thought, and then asked two members of the team a question each. She made the decision later that day.

So, when in doubt, clarify where the authority lies.

You don't have to be a consultant to do this. As a leader you can frame a conversation this way yourself, clarifying that you will be making a decision and asking the rest of the team (or

your reports) to help you by giving you information and perspective. My experience is that most people react to this announcement with relief. People seem to prefer clarity over confusion about their role in making a decision - even if it's not the role they wished for.

- Leaders with decision making authority are sometimes hesitant to openly acknowledge this authority out of concern that subordinates will be offended. I find this especially common in organizations that profess a collaborative approach to decision making. They act as they believe that people who only influence a situation will feel better if their manager acts as if they have authority when they do not.

An innovation to collaborate might be an invitation to share authority, or it might be an invitation to influence - either is possible. In my experience, a leader is far more likely to offend reports by failing to be clear about the lines of authority and influence than in telling the truth about who has what kind of role.

Most people understand and accept that decision making authority must rest somewhere. They far prefer to be told that their role is to influence than to be allowed to assume they have authority, only to eventually discover, as they must, that they do not.

- The situation above is preferable to another I find, which is when people in the system are unsure who has the decision-making authority.

Sometimes this happens when the situation is ambiguous, as when two peers have equal stakes in a decision. However, more often it happens because there is a conflict about who should have the authority, and an unwillingness on the part of the organization to confront this conflict. It never ends well. Better to clarify who has decision making authority up-front, or whenever the conflict becomes apparent, then to let it linger.

- Groups or teams can collectively hold decision making authority, though I find that this occurs less frequently than groups claim. In fact, I often find teams that appear to have been deliberately assembled to **not** have the collective authority to decide, either because they are too junior in the organization, or because the group sponsor reserves the right of approval, which is another way of saying that she reserves authority for herself.

When putting together a team that will be supposedly empowered to make decisions, assemble enough organizational authority in that group to make the decision stick. That usually means that members lead units large enough to have authority to redesign their organizations or move money around.

- Finally, as I mentioned above, the notion of authority, influence and appreciation seem to quickly become a shared vocabulary. My guess is that's because it makes simple sense of a relatively common condition – ambiguity over who gets to decide what, and whether someone abdicates their decision-making authority when they open themselves to influence. Having a simple way to discuss the distinctive roles at play in the moment is very valuable.

## Authority in 2023 <sup>1</sup>

Younger colleagues have challenged something in this model - the expectation that once a decision is made by someone with organizational authority to do so, that decision enters the area of appreciation for those who once had influence.

They attribute this to the growing unwillingness of contemporary organizational actors to trust decision-makers. Whether or not they lack formal authority, some organizational members refuse to “appreciate” the finality of a decision and insist on continuing to influence. While these actors assert that they want to be involved with decisions, using the vocabulary of this model I would say when their actions are more consistent with the belief they that exercise authority over the decision.

Organizational life is embedded in a broader social and cultural context. When that context changes, so do organizations. In my lifetime, I’ve witnessed an erosion of trust in authority in general, which is reflected in an erosion of that trust within organizations. This is due at least in part to the growing realization that historically, organizational structures have perpetuated class, racial and gender oppression.

Appreciating a decision made by organizational actors that one respects and trusts in one thing. Appreciating those decision when they are made by people associated with a class who one believes has colluded with or engineered systems of oppression is another.

Appreciation, like democracy, depends on the consent of the governed. When that consent is withheld, a new way of governing must evolve in response.

I think this the model still describes the basic mechanism of decision-making and authority and provides a useful and clear vocabulary for describing the change that has occurred. Broad cultural change doesn’t change the categories of authority, influence, and appreciation, but it does change how those attributes play out in contemporary organizational life.

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<sup>1</sup> Thanks to Karina Magnu-Ward of August Public Inc for these discussions.