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Unlocking Success | Leslie W. Braksick, Ph.D.

WHITE-COLLAR INVENTORY

How deciding shows confidence and how not making decisions can greatly impact your business

Most organizations have elaborate systems for monitoring product inventory and product backlog. Small, medium and large companies alike rely on highly disciplined processes for forecasting and sales management to ensure that

they do not create a backlog of excess inventory. Even the most junior business major knows that too much product inventory is a bad thing.

The "white-collar" or executive version of "product inventory," however, goes unmeasured, unmanaged and, even worse, unconsciously ignored. It creeps into an organization without any awareness that it is even happening or of the unintended impact it has.

The white-collar version of product inventory — unmade decisions that rest at the feet of people in management positions — cost organizations far more than the worst overage of product inventory. They dominate thinking and conversations exponentially across an organization.

"What are we doing about X? Why aren't we doing Y? When will we know which way we are going? What do I do until we know?" They soak up time and energy and they delay progress. They cause people to take intermittent actions that act as false starts, consume more resources than decisive actions would and keep people from moving important company matters forward.

People lower in the organization are forced to hedge by resourcing many options. Employees have learned they will be expected to move quickly when the decision is made, so to cover all possibilities, they do things, buy things and allocate resources to ensure they can cover all possible outcomes. Deferring an important decision has a costly impact that fails to ever appear on any budget line item.

At a time when speed, precision, prioritization and informed choices should rise to the top of the list of management priorities so that limited capital can be best directed and leveraged, executives are becoming less decisive in their quest to keep all options open. They are forgetting one simple fact: Doing nothing is doing something.

The failure to make a decision is, in fact, making a decision. It's making a decision not to act, not to boldly proceed in a particular direction. It conveys a lack of confidence, assurance, conviction and willpower. It's making the decision that it's OK to fake it, guess or wing it. It's broadcasting to the entire organization that management is unsure which way to go.

Failure to act bold has led to the demise of more than one organization; think Kodak, Commodore or Swiss Air.

Don't let that happen under your watch. Gather enough data, wisdom and insights in order to make informed decisions — even if it requires extra data analysis, time or resources. Involve people closest to the work/customer to help shed light on the situation. Do the necessary things to gain the clarity and confidence to decide and take action. Next, take the time to understand the pros and cons of various options and key steps to executing the strategy successfully.

It is well-known that most failed strategies fail not because they were bad ideas, but because they were plans poorly executed. Effective strategy execution goes hand in hand with clarity of decision, communication, engagement and understanding the liabilities and what is critical to achieving success.

Lastly, make a schedule and set a deadline for when the decision must be made and stick to it. Nothing frustrates an organization like endlessly tabling an issue.

Don't contribute to your organization's management inventory. Take the extra steps needed so you can model timely and effective decision-making. The people lower in your organization want to do the right thing every day in every way. But they can't do that without clarity of direction from their leaders and managers. <<

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