# Business Skills I

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# **Decision-making: System 1 vs System 2**

How we think and make decisions can have a profound impact on how we fare in an emergency. Daniel Kahneman, a Nobel Prize winner psychologist, explores how we make decisions in his book, Thinking, Fast and Slow. In his writings, he explains System 1 and System 2 thinking.

System 1 is thinking fast. It is our instinctive and automatic decision-making process and is how we make the majority of our decisions. This system is incapable of experiencing doubt, decisions are based on our experiences and memories, and it enables us to jump to conclusions with limited evidence.

Problems with System 1 can arise for a variety of reasons including flawed memories and hindsight bias. Hindsight bias is when we assess the quality of a decision not by the soundness of the process, but by the outcome - and luck can play a role so that a poor process can still lead to a good outcome.

How to make System 1 work for you? Plan, prepare and practice. Make it so your fast decision is based on a sound process and won't be derailed by an instinct to jump to a flawed conclusion based on limited evidence.

System 2 is thinking slow. This is a more complex and mentally draining process. It's also the process used to plan and prepare. It's actually sitting down to complete the Readiness Playbook as well as go through the effort of putting together a GO-bag or buying one, as well as stocking your house with the necessary items to shelter in place.

Poor decisions can emerge from System 2; it is not a cure-all for the shortcomings of System 1. Problems arise from biases (some of which we've discussed in previous posts) as well as from ignorance and laziness.

To be properly prepared requires putting in the time and energy and avoiding the natural cognitive biases that are part of being human.

Footnote: If you're a Michael Lewis fan, (Liar's Poker, Moneyball, The Big Short, Flashboys), his 2016 book, The Undoing Project, is about Kahneman and Amos Tversky, their backgrounds, and their work together in economics and psychology.

# No More Bad Decisions: Improve Decision Making by Involving Others



"Well, what do you think?"

The director of new channel sales had just presented her team members with ideas for a campaign to increase market share. She looked at them for a response. Some looked bewildered, one looked angry and a couple avoided her gaze. Dead silence.

Finally responses seeped out. The packaging liaison assured her that the elaborate packaging couldn't make the holiday deadline. Marketing emphatically informed her that retailers would have to approve the coupon discounts requiring a series of meetings. Finance delivered the coup de grâce. The two key products in the offer would undermine the sales needed to make their individual revenue targets.

One of the most critical—and frequently overlooked—aspects of decision-making is identifying who needs to be involved. And doing it as early as possible. This show-and-tell style of decision-making just doesn't work, as the sales director found out.

The methodology stays the same...

You have probably attended decision-making sessions where someone had a pet alternative and fought to push it through. A good decision process never begins with alternatives. The actual methodology for decision-making never changes. The best decision makers look at three critical factors and always approach them in the same order:

- 1. Set Objectives. Start with objectives, by asking: What are we trying to accomplish? What are the results we are trying to achieve? This paves the way for honest, open discussion and eliminates jumping to alternatives.
- 2. Identify Alternatives. Only after a clear, specific set of objectives has been agreed upon are alternatives discussed. At this point each alternative can be evaluated against the objectives and the most suitable ones can be explored.
- 3. Manage Risk. The possible choices can be evaluated in terms of risk. What could go wrong if an alternative is selected and how likely is that to happen?

The final choice is made only after all three elements have been considered in the right order.

The methodology stays the same ... the decision-makers change

Unilateral, top-down decision-making was once the norm. Today work is done largely in projects and decisions are made in groups. But who should be involved? Leaders must learn to involve the right people, in the right way and at the right time.

How different her decision would have been if, before beginning her decision process, the director of new channel sales had considered who should be involved—and how and when. She would have had the information and the perspectives needed to make a more considered, well-balanced choice.

Involving others in decisions

For different decisions, different people need to be involved, at different levels of involvement and at various times in the process. Leaders at every level need to involve others in decision-making for a number of reasons:

To obtain information. Before engaging in the decision-making process, the leader should consider what information is needed. Will others be needed to set clear objectives? Does someone have the information needed to evaluate alternatives? Who can identify and assess risk? If the director of new channel sales had asked these questions, she would have realized she did not have enough facts to properly evaluate her chosen alternative.

To come up with creative alternatives. Leaders often think they are so close to the issue that they have the best answers—failing to realize that distance can provide perspective. People at other levels or functions in an organization can spot innovative alternatives that might not enter the leader's vision. If the director of new channel sales had shared her objective and challenged the team

to increase revenue by two percent during the holiday season, the team might have identified effective alternatives. In addition, because they were not consulted, team members were hesitant when they were finally asked for their input.

To gain commitment. There are decisions that a leader can make alone. A leader may be tempted to cut to the chase and sometimes it makes sense. But it makes sense to ask: Will my team commit to my decision if I have not included them in the process? The key to success is flawless implementation. If people are resentful, do not agree, or do not understand the course of action, they are unlikely to carry out the implementation process with enthusiasm or attention to detail. Thoughtful leaders make an effort to at least communicate the major elements that went into the choice to those affected.

To train future decision makers. An important role of a leader for the organization's continued success is to train his or her successors. That means coaching and mentoring subordinates in every essential management skill, including decision-making.

Effective leaders recognize that shared decision-making is a conversation, not as a superior to subordinates, but among individuals who bring valuable information and ideas to the table. When faced with a decision, the leader needs to let his or her team members know at the outset that they will play a vital role in coming up with the best possible solution.

# <u>Collaborative Decision Making in the</u> <u>Workplace – 101</u>

Implementing a collaborative decision-making approach in an organization isn't easy. With freedom to perfect their work, employees see collaboration without the constraint of an unrealistic deadline and contribute positively towards the greater good.

## What is collaborative decision making?

Collaborative decision making is at the root of most successful teams in the world. But what is collaborative decision making, really? We can define it as the outcome when a team of individuals reaches a consensus. This consensus should be on the best possible solution, chosen from within a set of few proposed. This sounds time consuming already, doesn't it? While that may be

the case, it defends against a lot of pitfalls of other decision making processes such as cognitive bias, trial & error etc., in addition to promoting teamwork. Collaborative approach works best where work culture supports a high level of engagement. Freedom to creatively solve problems also encourages seamless collaboration.

### What are the principles of collaborative decision making?

### Choose a facilitator

Most initiatives need a facilitator or a lead to achieve their goals and objectives. Collaborative decision making is no different. Without committed leadership, the process is at risk of failure.

This facilitator handles things such as:

- gaining buy-in and commitment from key stakeholders
- creating definitions of success & failure for the initiative
- aligning the initiative with other goals
- fostering teamwork throughout the entire process

Facilitator will also ensure that the group stays focused on the problem at hand. And coaches them through the solution identification and selection process. All this via a series of small, manageable steps.

## Identify and scope the problem

Without clear identification of the problem at hand, the group can fall off course. This can lead to discouragement and confusion. First step to success is ensuring that each user is able to articulate the problem clearly.

To understand the problem, the management must first understand what cannot be changed. If non-negotiable regulatory policies exist, consider that in the scope of the problem. Of course, you cannot change the regulations or violate them.

Next, list the unknowns that users face while surrounding the problem. And track what information is yet to be uncovered. This information can aid in finding proposed solutions. Also, take note of any future events that may impact the management. This might fall outside of the current scope of your solution. But will prove important for future iterations of the <u>decision making process</u>.

#### Build a success model and uncover alternative solutions

Rather than dwelling on negative impacts of the current problem, decision makers should focus on finding a solution. It's easy to fall down a rabbit hole of pessimism when the focus is entirely negative. Instead, focus on what is contributing to the problem. It will allow members of the systems to provide their unique perspectives. And reveal more ideas for alternative software solutions in the next phase of the process.

Capture company values, monetary impact, <u>corporate objectives</u> and potential tradeoffs of all models. Discuss each alternative in that context. This will help you narrow down multiple, complex solutions in the final selection process.

### Collect data

It is time to collect data to support proposed solutions. Problem is clearly defined for individual systems in the first step & then the business impact is deliberated upon.

One mistake that many engineering teams make is to collect any and all data points. Whether they're directly related to the problem at hand or not. Because too much extraneous data only clouds the team's ability to stay away from conflict.

Team should weigh value of the collected data against the ability to support the predefined measures of success. Include only data that is critical to collaborative decision-making in the evaluation and selection process. The facilitator can assist the team in focusing on the effort to support the process goal.

## How do groups influence decision-making?

Having clarity on the dynamics of collaborative decision making ensures that nobody is unduly affecting the process. Also, since the purpose of collaborative decision making process is to ensure all stakeholders have correct, viable and actionable information at their disposal. Using this method, the decisions taken will reflect the good of the organization as a whole and not the realities of one person.

## How does collaboration affect decision making?

Collaboration can identify avenues that weren't previously known. Sales and Customer Success teams can identify issues that are bothering the individual members of their team and find out a common solution that reduces the burden in two departments instead of one. On the other hand, collaboration can make decision makers unsure of their next steps – it is vital to have communication.

### What makes a good collaborative decision maker?

When the group is finally ready to choose the best solution to the problem., the facilitator can assist team members in organising their unique thoughts about each proposed solution. They can use tools such as the decision matrix.

There is a possibility of not reaching an immediate consensus on features. In that case it may also help to complete a cost-benefit analysis. This will aid the team to decide on the solution that best maps to business objectives.

### Why is collaborative decision making important?

Selecting a solution doesn't mean that the work is done. Without executing the proposed solution, the problem will remain unsolved.

An effective implementation plan considers the goal and other factors, and works backward to create actionable steps to set the solution into motion.

Your team shouldn't be alarmed if they uncover previously unforeseen barriers as they build the implementation plan. This is a common occurrence in the implementation phase. Address any potential issues with the same collaborative decision making process one would follow for features.

Organizations of all types and sizes stand to benefit from a collaborative approach to decision making that consults all factors from a knowledge repository. In today's competitive marketplace, engineering teams must approach problem-solving in new ways and avoid the pitfalls of uncertainty, disagreement and chaos. The facilitated, collaborative methodology of a group-driven decision tool is the shortest path to lasting problem resolution and a strong culture of teamwork.

## What is a collaborative decision example?

Collaboration can be between different engineering teams in an organization, or different verticals of a larger entity. In rare cases, even competitors — or leaders of different industries — come together to create collaborations that endure. Super groups are famous in rock and roll; the association between Apple iPod and Nike resulted in a new class of athleisure, for example.

# **Cost-Benefit Analysis**

### Deciding, Quantitatively, Whether to Go Ahead

(Also known as CBA and Benefit-Cost Analysis)



© iStockphoto Henrik5000

Do the benefits justify the cost?

Imagine that you've recently taken on a new project, and your people are struggling to keep up with the increased workload.

You are therefore considering whether to hire a new team member. Clearly, the benefits of hiring a new person need to significantly outweigh the associated costs.

This is where Cost-Benefit Analysis is useful.

#### **Note:**

CBA is a quick and simple technique that you can use for non-critical financial decisions. Where decisions are mission-critical, or large sums of money are involved, other approaches – such as use of **Net Present Values** and **Internal Rates of Return** – are often more appropriate.

### **About the Tool**

Jules Dupuit, a French engineer and economist, introduced the concepts behind CBA in the 1840s. It became popular in the 1950s as a simple way of weighing up project costs and benefits, to determine whether to go ahead with a project.

As its name suggests, Cost-Benefit Analysis involves adding up the benefits of a course of action, and then comparing these with the costs associated with it.

The results of the analysis are often expressed as a payback period – this is the time it takes for benefits to repay costs. Many people who use it look for payback in less than a specific period – for example, three years.

You can use the technique in a wide variety of situations. For example, when you are:

- Deciding whether to hire new team members.
- Evaluating a new project or change initiative.
- Determining the feasibility of a capital purchase.

However, bear in mind that it is best for making quick and simple financial decisions. More robust approaches are commonly used for more complex, business-critical or high cost decisions.

### How to Use the Tool

Follow these steps to do a Cost-Benefit Analysis.

### **Step One: Brainstorm Costs and Benefits**

First, take time to **brainstorm** all of the costs associated with the project, and make a list of these. Then, do the same for all of the benefits of the project. Can you think of any unexpected costs? And are there benefits that you may not initially have anticipated?

When you come up with the costs and benefits, think about the lifetime of the project. What are the costs and benefits likely to be over time?

## **Step Two: Assign a Monetary Value to the Costs**

Costs include the costs of physical resources needed, as well as the cost of the human effort involved in all phases of a project. Costs are often relatively easy to estimate (compared with revenues).

It's important that you think about as many related costs as you can. For example, what will any training cost? Will there be a decrease in productivity while people are learning a new system or technology, and how much will this cost?

Remember to think about costs that will continue to be incurred once the project is finished. For example, consider whether you will need additional staff, if your team will need ongoing training, or if you'll have increased overheads.

## **Step Three: Assign a Monetary Value to the Benefits**

This step is less straightforward than step two! Firstly, it's often very difficult to predict revenues accurately, especially for new products. Secondly, along with the financial benefits that you anticipate, there are often intangible, or soft, benefits that are important outcomes of the project.

For instance, what is the impact on the environment, employee satisfaction, or health and safety? What is the monetary value of that impact?

As an example, is preserving an ancient monument worth \$500,000, or is it worth \$5,000,000 because of its historical importance? Or, what is the value of stress-free travel to work in the morning? Here, it's important to consult with other stakeholders and decide how you'll value these intangible items.

### **Step Four: Compare Costs and Benefits**

Finally, compare the value of your costs to the value of your benefits, and use this analysis to decide your course of action.

To do this, calculate your total costs and your total benefits, and compare the two values to determine whether your benefits outweigh your costs. At this stage it's important to consider the payback time, to find out how long it will take for you to reach the break even point – the point in time at which the benefits have just repaid the costs.

For simple examples, where the same benefits are received each period, you can calculate the payback period by dividing the projected total cost of the project by the projected total revenues:

Total cost / total revenue (or benefits) = length of time (payback period).

# **Example**

Custom Graphic Works has been operating for just over a year, and sales are exceeding targets. Currently, two designers are working full-time, and the owner is considering increasing capacity to meet demand. (This would involve leasing more space and hiring two new designers.)

He decides to complete a Cost-Benefit Analysis to explore his choices.

### **Assumptions**

• Currently, the owner of the company has more work than he can cope with, and he is outsourcing to other design firms at a cost of \$50 an hour. The company outsources an average of 100 hours of work each month.

- He estimates that revenue will increase by 50 percent with increased capacity.
- Per-person production will increase by 10 percent with more working space.
- The analysis horizon is one year: that is, he expects benefits to accrue within the year.

# Costs

Category	Details	Cost in First Year
Lease.	750 square feet available next door at \$18 per square foot	\$13,500
Leasehold	Knock out walls and reconfigure	\$15,000
improvements. Hire two more	office space Salary, including benefits	\$75,000
designers.	Recruitment costs Orientation and training	\$11,250 \$3,000
Two additional workstations.	Furniture and hardware Software licenses	\$6,000 \$1,000
Construction downtime.	Two weeks at approximately \$7,500 revenue per week	\$15,000
Total	Tevenue per week	\$139,750

# **Benefits**

Benefit	Benefit Within 12 Months
50 percent revenue increase.	\$195,000
Paying in-house designers \$15 an hour, versus \$50 an hour outsourcing (100 hours per month, on average: savings equals \$3,500 a month.)	\$42,000
10 percent improved productivity per designer (\$7,500 + \$3,750 = \$11,250 revenue per week with a 10 percent increase = \$1,125/week.)	\$58,500
Improved customer service and retention as a result of 100 percent in-house design.	\$10,000

Total \$305,500

12

He calculates the payback time as shown below:

139,750 / 305,500 = 0.46 of a year, or approximately 5.5 months.

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Inevitably, the estimates of the benefit are subjective, and there is a degree of uncertainty associated with the anticipated revenue increase. Despite this, the owner of Custom Graphic Works decides to go ahead with the expansion and hiring, given the extent to which the benefits outweigh the costs within the first year.

# Flaws of Cost-Benefit Analysis

Cost-Benefit Analysis struggles as an approach where a project has cash flows that come in over a number of periods of time, particularly where returns vary from period to period. In these cases, use **Net Present Value** (NPV) and **Internal Rate of Return** (IRR) calculations together to evaluate the project, rather than using Cost-Benefit Analysis. (These also have the advantage of bringing "time value of money" into the calculation.)

Also, the revenue that will be generated by a project can be very hard to predict, and the value that people place on intangible benefits can be very subjective. This can often make the assessment of possible revenues unreliable (this is a flaw in many approaches to financial evaluation). So, how realistic and objective are the benefit values used?

### **Key Points**

Cost-benefit analysis is a relatively straightforward tool for deciding whether to pursue a project.

To use the tool, first list all the anticipated costs associated with the project, and then estimate the benefits that you'll receive from it.

Where benefits are received over time, work out the time it will take for the benefits to repay the costs.

You can carry out an analysis using only financial costs and benefits. However, you may decide to include intangible items within the analysis. As you must estimate a value for these items, this inevitably brings more subjectivity into the process.

# How BAs Can Use a Decision Matrix to Make Tough Choices

As a business analyst, you have to make a lot of important decisions. From strategic planning to policy evaluation to process modeling, your choices are often complex and have a direct impact on the business.

With so much at stake (and so many factors to consider), how can you know if you're making the best choice?

A decision matrix can help.



Rating scale: 1 = Doesn't meet criterion, 2 = Somewhat meets criterion, 3 = Meets criterion, 4 = Slightly exceeds criterion, 5 = Significantly exceeds criterion

Weighted Decision Matrix Example (Click on image to modify online)

# What is a decision matrix?

A decision matrix is a tool that helps business analysts and other stakeholders evaluate their options with greater clarity and objectivity. A decision matrix (or grid) can:

- Reduce decision fatigue.
- Reduce subjectivity in decision making.
- Clarify and prioritize options.

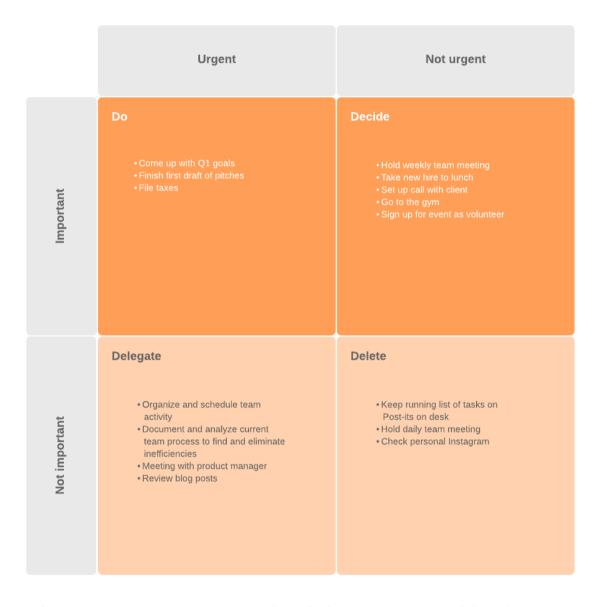
Decision-making grids outline the criteria for making a decision and rank them based on the most important factors. These grids provide analysts with a measurable method for evaluating their options systematically.

The decision matrix is also known by other names, including:

- Pugh matrix
- Decision grid
- Opportunity analysis
- Multi-attribute utility theory
- Grid analysis

- Problem selection matrix
- Criteria rating form
- Problem selection matrix

Another type of decision-making matrix is the <u>Eisenhower matrix</u>, but it focuses on identifying and ranking personal priorities, rather than major business decisions. Although some basic calculations are involved, the concept and application are fairly simple and straightforward.



Eisenhower Matrix Diagram Example (Click on image to modify online)

### When to use a decision matrix

The nice thing about the decision matrix is that it can apply to many different types of decisions. However, it is most effective when you or your team is comparing multiple options or criteria that need to be narrowed down to one final choice.

It's a common solution for business analysts as well as project managers, business leaders, designers, and other stakeholders who have to juggle multiple opportunities with complex criteria and requirements.

### How to make a decision matrix

The beauty of the decision matrix is how simple it is to create. You can create a decision matrix by hand on a piece of paper, a whiteboard, or on a spreadsheet. There are also online template solutions available.

Lucidchart's ready-made decision matrix template can help you get started right away. With rich features like data linking and conditional formatting, you can customize your templates to help you identify the best solution faster.

The decision matrix is organized into a table of rows and columns. The rows list out the potential options and the columns outline the various factors or decision making criteria to consider.



Decision Matrix Example (Click on image to modify online)

# Conducting a step-by-step decision making analysis

We'll use a simple decision to illustrate how a basic decision matrix works. Let's say you want to take your team out to a restaurant to celebrate a victory. A decision matrix can help you choose where to go.

### 1. Create the matrix table

The first step is to create your matrix. As noted earlier, the table will be organized into rows of options and columns of criteria. Fill out the rows with the various options you are considering. For this example, your options might be:

- Fancy New York steakhouse
- Elegant Italian cuisine
- Funky Mexican eatery
- Interactive Japanese restaurant

Next, you will identify the criteria you will use to evaluate them.

### 2. Brainstorm criteria

With your table and options outlined, you can now brainstorm what factors or criteria you will use. Common criteria for business decisions include:

- Cost
- Return on investment
- Buy-in (from team or customers)
- Impact on other systems
- Needed resources (time, money, people)
- Ease of implementation
- Value to customer
- Potential problems or negative consequences

### • Urgency of the problem

If applicable, involve customers or other stakeholders to help you narrow the list of evaluative criteria to only the most important.

As you deliberate, identify which attributes the final decision must have. This will help you eliminate choices early on that don't fit your requirements.

For our example, you might consider the following criteria or requirements:

- Food allergy accommodations
- Cost
- Entertainment
- Team preferences
- Distance from office

### 3. Evaluate and rank criteria

Now you will evaluate your decision making criteria against the options. In other words, you will score how well each criterion is met under each option. There are a few ways to do this:

Method 1: Rate criteria on a scale (typically 1-3 or 1-5). The higher the number, the better that criterion matches the option.

Method 2: Rank-order the options across the criteria. For each criterion, rank your options based on how well they each meet the requirement (1 being low or least desirable).

Method 3: Use the Pugh matrix method and compare your options against a baseline. Your baseline can either be one of the options under consideration or it can be the existing solution your team or company is using and planning to replace. For each criterion, rate the option against the baseline as worse (-1), same (0), or better (+1).

To apply the Pugh matrix method to the restaurant example, let's say the rankings break down something like this:

	Cost	Allergy Accommodations	Entertainment	Team Preference	Distance
New York steakhouse	5	4	3	4	2
Italian	3	2	3	2	4
Mexican	3	2	2	3	5
Japanese	4	3	5	5	3

## 4. Weight the criteria

Although you have your options ranked by criteria, not all criteria will have the same level of priority. For example, if you have a strict budget constraint, cost may be more important than other criteria on the table.

To measure this difference in priority, you will need to weigh the requirements from least to most important. It's easiest to use the same scale as you did to rank the options.

	Cost	Allergy Accommodations	Entertainment	Team Preference	Distance
WEIGHT	1	3	2	5	4
New York steakhouse	5	4	3	4	2
Italian	3	2	3	2	4
Mexican	3	2	2	3	5
Japanese	4	3	5	5	3

## 5. Score your options

Finally, it's time to score your options to identify which decision to make.

To calculate each option's final score, simply multiply each option's rank by each criterion's weight. For instance, if you had Cost as a criterion weighted at 5 and Option A had a rank of 2 for that criterion, you would multiply 5 times 2 to get 10.

You repeat this process for each option across every criterion. Once each box has a score, you tally up each row for a final rank of each option.

	Cost	Allergy Accommodations	Entertainment	Team Preference	Distance	SCORES
WEIGHT	1	3	2	5	4	
New York steakhouse	5 x 1 = <b>5</b>	4 × 3 = <b>12</b>	3 x 2 = <b>6</b>	4 x 5 = <b>20</b>	2 x 4 = <b>8</b>	51
Italian	3 x 1 = <b>3</b>	2 x 3 = <b>6</b>	3 x 2 = <b>6</b>	2 x 5 = <b>10</b>	4 × 4 = <b>16</b>	41
Mexican	3 x 1 = <b>3</b>	2 x 3 = <b>6</b>	2 x 2 = <b>4</b>	3 x 5 = <b>15</b>	5 x 4 = <b>20</b>	48
Japanese	4 x 1 = <b>4</b>	3 x 3 = <b>9</b>	5 x 2 = <b>10</b>	5 x 5 = <b>25</b>	3 x 4 = <b>12</b>	60

In our example, after multiplying each option against the weights of your criterion, the winning score is the Japanese restaurant.

Of course, this is an example of a simple decision, but decision matrices work just as well for more complex problems and solutions.

Next time you're faced with a mental quagmire, pull out your decision grid and start calculating. With careful consideration and basic math skills, you can find the clarity and confidence you need to move forward on decisions big and small.

Quality Glossary Definition: Decision matrix

Also called: Pugh matrix, decision grid, selection matrix or grid, problem matrix, problem selection matrix, opportunity analysis, solution matrix, criteria rating form, criteria-based matrix

A decision matrix evaluates and prioritizes a list of options and is a decision-making tool. The team first establishes a list of weighted criteria and then evaluates each option against those criteria. This is a variation of the L-shaped matrix.

# When To Use A Decision Matrix

When a list of options must be narrowed to one choice

When the decision must be made on the basis of several criteria

After a list of options has been reduced to a manageable number by list reduction

Typical situations are:

When one improvement opportunity or problem must be selected to work on

When only one solution or problem-solving approach can be implemented

When only one new product can be developed

## **Decision Matrix Procedure**

Brainstorm the evaluation criteria appropriate to the situation. If possible, involve customers in this process.

Discuss and refine the list of criteria. Identify any criteria that must be included and any that must not be included. Reduce the list of criteria to those that the team believes are most important. Tools such as list reduction and multivoting may be useful.

Assign a relative weight to each criterion, based on how important that criterion is to the situation. This can be done in two ways:

By distributing 10 points among the criteria, based on team discussion and consensus.

By each member assigning weights, then the numbers for each criterion for a composite team weighting.

Draw an L-shaped matrix. Write the criteria and their weights as labels along one edge and the list of options along the other edge. Typically, the group with fewer items occupies the vertical edge.

Evaluate each choice against the criteria. There are three ways to do this:

Method 1: Establish a rating scale for each criterion. Some options are:

1, 2, 3 (1 =slight extent, 2 =some extent, 3 =great extent)

1, 2, 3 (1 = low, 2 = medium, 3 = high)

$$1, 2, 3, 4, 5$$
 (1 = little to 5 = great)

$$1, 4, 9 (1 = low, 4 = moderate, 9 = high)$$

It is important that your rating scales are consistent. Word your criteria and set the scales so that the high end of the scale (5 or 3) is always the rating that would tend to make you select that option: greatest impact on customers, greatest importance, least difficulty, greatest likelihood of success.

Method 2: For each criterion, rank-order all options according to how well each meets the criterion. Number them with 1 being the option that is least desirable according to that criterion.

Method 3 (Pugh matrix): Establish a baseline, which may be one of the alternatives or the current product or service. For each criterion, rate each other alternative in comparison to the baseline, using scores of worse (-1), same (0), or better (+1). Finer rating scales can be used, such as 2, 1, 0, -1, -2 for a five-point scale or 3, 2, 1, 0, -1, -2, -3 for a seven-point scale. Again, be sure that positive numbers reflect desirable ratings.

Multiply each option's rating by the weight. Add the points for each option. The option with the highest score will not necessarily be the one to choose, but the relative scores can generate meaningful discussion and lead the team toward consensus

# **Decision Matrix Example**

Figure 1 shows a decision matrix used by the customer service team at the Parisian Experience restaurant to decide which aspect of the overall problem of "long wait time" to tackle first. The problems they identified are customers waiting for the host, the waiter, the food, and the check.

The criteria they identified are "Customer pain" (how much does this negatively affect the customer?), "Ease to solve," "Effect on other systems," and "Speed to solve." Originally, the criteria "Ease to solve" was written as "Difficulty to solve," but that wording reversed the rating scale. With the current wording, a high rating on each criterion defines a state that would encourage selecting the problem: high customer pain, very easy to solve, high effect on other systems, and quick solution.

Decision	Matrix:	Long	Wait	Time
Decision	wau ix.	Long	vvail	1111111

Criteria →	Customer pain 5	Ease to solve	Effect on other systems	Speed to solve	<b>F</b>
Customers wait for host	High—Nothing else for customer to do $3 \times 5 = 15$	Medium— Involves host and bussers $2 \times 2 = 4$	High—Gets customer off to bad start  3 × 1 = 3	High—Observations show adequate empty tables $3 \times 2 = 6$	28
Customers wait for waiter	Medium— Customers can eat breadsticks 2 × 5 = 10	Medium— Involves host and waiters $2 \times 2 = 4$	Medium— Customer still feels unattended  2 × 1 = 2	Low— Waiters involved in many activities  1 × 2 = 2	18
Customers wait for food	Medium— Ambiance is nice 2 × 5 = 10	Low—Involves waiters and kitchen  1 × 2 = 2	Medium— Might result in extra trips to kitchen for waiter 2 × 1 = 2	Low—Kitchen is design/space limited  1 × 2 = 2	16
Customers wait for check	Low— Customers can relax over coffee, mints 1 × 5 = 5	Medium— Involves waiters and host $2 \times 2 = 4$	Medium— Customers waiting for tables might notice 2 × 1 = 2	Low— Computerized ticket system is needed  1 × 2 = 2	13

Figure 1: Decision Matrix Example

"Customer pain" has been weighted with 5 points, showing that the team considers it by far the most important criterion, compared to 1 or 2 points for the others.

The team chose a rating scale of high = 3, medium = 2, and low = 1 and used it for the problem. "Customers wait for food." In this example, the customer pain is medium (2), because the restaurant ambiance is nice. This problem would not be easy to solve (low ease = 1), as it involves both waiters and kitchen staff. The effect on other systems is medium (2), because waiters have to make several trips to the kitchen. The problem will take a while to solve (low speed = 1), as the kitchen is cramped and inflexible.

Each rating is multiplied by the weight for that criterion. For example, "Customer pain" (weight of 5) for "Customers wait for host" rates high (3) for a score of 15. The scores are added across the rows to obtain a total for each problem. "Customers wait for host" has the highest score at 28. Since the next highest score is 18, the host problem probably should be addressed first.

### **Decision Matrix Considerations**

A very long list of options can first be shortened with a tool such as list reduction or multivoting.

Criteria that are often used fall under the general categories of effectiveness, feasibility, capability, cost, time required, and support or enthusiasm (of team and of others). Other commonly used criteria include:

For selecting a problem or an improvement opportunity:

Within control of the team

Financial payback

Resources required (e.g., money, people)

Customer pain caused by the problem

Urgency of problem

Team interest or buy-in

Effect on other systems

Management interest or support

Difficulty of solving

Time required to solve

### For selecting a solution:

Root causes addressed by this solution

Extent of resolution of problem

Cost to implement (e.g., money, time)

Return on investment; availability of resources (e.g., people, time)

Ease of implementation

Time until solution is fully implemented

Cost to maintain (e.g., money, time)

Ease of maintenance

Support or opposition to the solution

Enthusiasm by team members

Team control of the solution

Safety, health, or environmental factors

Training factors

Potential effects on other systems

Potential effects on customers or suppliers

Value to customer

Potential problems during implementation

Potential negative consequences

#### Additional considerations

While a decision matrix can be used to compare opinions, it is better used to summarize data that have been collected about the various criteria when possible.

Sub-teams can be formed to collect data on the various criteria.

Several criteria for selecting a problem or improvement opportunity require guesses about the ultimate solution. For example: evaluating resources required, payback, difficulty to solve, and time required to solve. Therefore, your rating of the options will be only as good as your assumptions about the solutions.

It's critical that the high end of the criteria scale (5 or 3) always is the end you would want to choose. Criteria such as cost, resource use and difficulty can cause confusion (for example, low cost is highly desirable). Avoid this by rewording your criteria: Say "low cost" instead of "cost"; "ease" instead of "difficulty." Or, in the matrix column headings, write what generates low and high ratings. For example:

Importance	Cost	Difficulty
------------	------	------------

If individuals on the team assign different ratings to the same criterion, discuss until the team arrives at a consensus. Do not average the ratings or vote for the most popular one.

In some versions of this tool, the sum of the unweighted scores is also calculated and both totals are studied for guidance toward a decision.

When this tool is used to choose a plan, solution, or new product, results can be used to improve options. An option that ranks highly overall but has low scores on criteria A and B can be modified with ideas from options that score well on A and B. This combining and improving can be done for every option, and then the decision matrix used again to evaluate the new options.

# **Decision Making Problem**

Decide or don't decide!

One of the first decision making problems you face (often without realising it) is to decide whether you have a decision to make, or a problem to solve.

Is it a decision or is it a problem? Time can be wasted and people frustrated if you resort to setting up a problem solving team when all that was really needed was for a decision to be made.

Alternatively, living with a decision that was made, when it wasn't clear why something had gone wrong, can be just as costly. In that case you had a problem to solve first, before you could make a decision. Decision making problems often arise because you aren't clear which of these you really have: a problem to solve or a decision to make!

## Decision Making Problem: is it a Decision or is it a Problem?

Sometimes what's required is just for a decision to be made, rather than extended analysis of a problem to solve. But how do you decide which is most appropriate, whether you need to make a decision or solve a problem?

Although problem solving and decision making processes may share many common features, they tend to have at least one significant difference. Definitions of problem solving tend to suggest that problems have their roots in the past. On the other hand, it could be argued that decisions are more about what's going to happen, in the future.

A problem is usually about something that *has gone wrong* (such as faults, gaps or difficulties). Whatever the cause, it can usually be traced to something in the near or distant past. Whereas decisions are about *looking ahead*. They are commitments to a course of action which is uncertain. Of course, decision making is a part of any problem solving process. We need to decide what action(s) to take after having analysed a problem, and generated a range of options. But here's the essence of the first decision making problem: how do you know whether you have a decision to make or a problem to solve?

Perhaps the simplest approach is to determine whether there is something wrong. Or is there something you're dissatisfied with, or which you know needs to change. If there is, and you know why something is wrong and the remedies are clear and obvious, then you have a decision to make – you look forward and act. Such decisions are most likely to relate to relatively simple issues or those which are not too far reaching, depending on the type or level of the decision. Or they may be clear to you because you're relying on your intuition, perhaps through your experience, closeness to the situation, or just your gut feeling.

It's only when you're faced with more complex, serious or large scale situations that you use problem solving processes. Where it's not clear what's gone wrong and/or what the solution might be, that's when you have a problem to solve. Of course, before deciding you may wish to consider an even more fundamental question: do you really need to make a decision at all?

## Why Do We Get So Many Decisions Wrong?

Assuming we haven't confused decisions and problems, even applying a rational decision making process doesn't necessarily guarantee success. According to Ohio State University management professor, Paul C. Nutt, we only get about 50% of our decisions in the workplace right! Half the time they are wrong, so there is evidence that we seem to have numerous decision making problems.

Nutt's research illustrates that bad decisions were usually bad because two things were missing:

1. Adequate participation of stakeholders in the decision making process.

2. Sufficient time spent generating a range of possible solutions.

Too often those who should have been involved weren't, and solutions were proposed and acted upon too quickly. Often with disastrous effects!

A third reason that has emerged from his research appears to be that:

too often, managers make bad tactical selections ..... because they believe that following recommended decision-making practices would take too much time and demand excessive cash outlays.

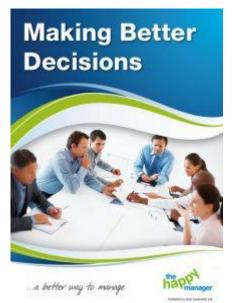
So it could be argued that, the more complex or serious the issue to be resolved, the more important it is that we listen to Nutt's findings. The three main causes of decision making problems can be resolved by ensuring we:

- 1. Involve the key people who should be involved.
- 2. Generate enough alternatives upon which to base our choice of decision.
- 3. Follow recognised and proven decision making processes

If you are interested in finding out more about Professor Nutt's approach to decision making follow this link to his book: Handbook of Decision Making. You might pay particular attention to Chapter 1: page 4, where he discusses Drucker's and Weick's calls to decide whether there is a decision to make.

Once you've finished with Nutt's insights on decision making, take at look at our other articles and our great-value resources to inform your understanding and practice. Different types of decision making require different approaches, something we particularly address in our e-guide: Making Better Decisions.

### **Making Better Decisions**



Judgement, intuition, experience and knowledge all come together when making decisions. Regardless of whether you believe in intuition and decision making, you'll find more on these and other practical techniques in our related e-guides (below) or in Making Better Decisions. Use the tools in this guide to help your decision making:

- Tool 1: Do you need to make a decision?
- Tool 2: The POCA decision making model
- Tool 3: Decision levels
- Tool 4: 7 step decision making process
- Tool 5: Team decision making
- Tool 6: Evaluating alternatives

# **Hurdles Faced During Effective Decision Making**

Area	Subtopic	IFRS	US GAAP	Indian GAAP
		A contingent liability is defined as a possible obligation from a past even whose outcome will be confirmed only by the occurrences/non occurrences of	A loss contingency is an existing condition, situation, or set of circumstances involving uncertainty as to possible loss to an entity that will ultimately	
		one or more future events not wholly within the entity's control.	be resolved when one or more future events occur or fail to	Similar to IFRS, except that constructive
		A contingent liability is not recognised. It will be recognised as a provision when the three criteria are met:	occur.  An accrual for a loss contingency is required if two	obligations are not considered for
		At present obligation from the past event exists.	criteria are met  1. If it is probable that a liability	recognising provisions.
		2. It is probable that an outflow of	has been incurred.	However, provision
		resources will be required to settle the obligation.  3. Reliable estimate can be made.	<ol><li>An amount of loss can be reasonably estimated.</li></ol>	is to be created in respect of
		5. Keliable estimate can be made.	The guidance uses the term	obligations arising from normal
		Probability is used to describe a situation in which the outcome is more likely than	probable to describe a situation in which the outcome is likely	business practice or to maintain good
		not to occur. In numeric terms	to occur. In numeric terms the	business relations
Recognition of provision	Definition	probability greater than 50% is to be considered.	probably of more than 75% can be considered.	or to act in an equitable manner.

<sup>&</sup>quot;Whenever you see a successful business, someone once made a courageous decision."

— Peter F. Drucker

Effective decision making is an art which obviously cannot be earned overnight, hence, needs to be nurtured in time. However, even an effective leader cannot remain oblivious to certain hurdles which chronicle his decision-making capacity. An effective decision has positive effects on all the departments, and equal damage is caused by an ineffective decision. Hence, he has to remain vigilant about the repercussions caused by his decisions.

Sometimes, taking a decision can equal to cracking a hard nut. As a professional as well as an individual, we face many situations in our professional as well as personal lives, wherein it is quite tough to take a decision. A careful study of various hurdles faced will lead you to take effective and better decisions in future.

Following are typical barriers faced by a manager while developing strategies.

### **Level of Decision Making Not Clear**

Sometimes, there is ambiguity in the level of power a manager holds, whether he holds the right to make modifications in the existing system. This often leads to confusion in the minds of the manager, especially at a middle-level manager.

#### Lack of Time

Hasty decisions often lead to disastrous effects. However, businesses are subject to emergencies and often, as a decision making authority, you need to take a call in the limited time available. This can pose a most difficult hurdle for most leaders, however, an effective leader has to go through these testing times.

#### Lack of reliable data

Lack of reliable data can be a major hindrance in making apt decisions.

Ambiguous and incomplete data often makes it difficult for them to make an appropriate decision, which may not be the best suited for any organization.

## **Risk-Taking Ability**

Any decision attracts a fair deal of risk of resulting into negative outcome. However, it is necessary to take calculated risks for an effective decision. Also, at the same time, casual attitude and completely ignoring risks will not result in taking appropriate decisions.

### **Too Many Options**

A manager can be in a dilemma if there are too many options for an effective solution. Finding the appropriate one can be very difficult, especially if a particular decision favours a department over the other.

### **Inadequate Support**

A manager, however good he may be, cannot work without an adequate support level from his subordinates. Lack of adequate support either from top level or grass root level employees may result in a great jeopardy for the manager.

### **Lack of Resources**

A manager may find it difficult to implement his decisions due to lack of resources- time, staff, equipment. In these cases, he should look out for alternative approaches which fit in the available resources. However, appropriate steps must be taken in case he feels that lack of resources may stop the growth of the organization.

### **Inability to Change**

Every organization has its own unique culture which describes its working policies. However, some policies are not conducive to managers who are looking out for a change. The rigid mentality of top-level management and the subordinates are the biggest hurdle, wherein a manager cannot make positive amendments even if he wishes to do so.

Every experience is a big teacher, and managers should take a cue from their previous experiences, and learn to boost their decision-making capacity. Big businesses have benefited greatly from positive changes and results, which implies that a manager should first and foremost improve his ability to deal with risks to take a good decision.

# 10 Things You Didn't Know About Decision Making

We make hundreds, maybe thousands, of decisions everyday. From the minuscule to the huge. From "Do I wear green socks or blue?" to "Do I really

need to buy that car?" Every time we have to choose, no matter how small the choice may seem, we are depleting our energy and creating stress.

Making decisions is hard work. The key is to make fewer decisions and reserve your energy for the big ones. President Obama, in a Vanity Fair article, said, "You need to remove from your life the day-to-day problems that absorb most people for meaningful parts of their day... You'll see I wear only gray or blue suits. I'm trying to pare down decisions. I don't want to make decisions about what I'm eating or wearing. Because I have too many other decisions to make. You need to focus your decision-making energy. You need to routinize yourself. You can't be going through the day distracted by trivia."

### 1. Your brain requires glucose to make good decisions.

Psychological scientists X.T. Wang and Robert D. Dvorak from the University of South Dakota studied how blood sugar levels affect the way we think. "Volunteers answered a series of questions asking if they would prefer to receive a certain amount of money tomorrow or a larger amount of money at a later date. They responded to seven of these questions before and after drinking either a regular soda (containing sugar) or a diet soda (containing the artificial sweetener aspartame). Blood glucose levels were measured at the start of the experiment and after the volunteers drank the soda.

"The results, reported in <u>Psychological Science</u>, a journal of the Association for Psychological Science, reveal that people's preferences for current versus later rewards may be influenced by blood glucose levels. The volunteers who drank the regular sodas (and therefore had higher blood glucose levels) were more likely to select receiving more money at a later date while the volunteers who drank the diet sodas (and who had lower blood glucose levels) were likelier to opt for receiving smaller sums of money immediately. These findings are suggestive of an adaptive mechanism linking decision making to metabolic cues, such as blood sugar levels."

While drinking a soda before you make a choice is not the answer, keeping your blood sugar levels up by eating small amounts of healthy food throughout the day will likely improve your decision-making abilities.

## 2. Bad decisions come from mental fatigue.

Once you start getting tired, you start making bad decisions. Whether you're not eating well, have had a long day or are simply tired, bad decisions will start to happen. If you're "too tired to care," then Oreos for dinner might sound like a great idea. Or instead of going to the gym or for a walk, sitting on the couch and watching TV becomes very enticing.

According to a <u>research study</u> published by the National Academy of Sciences, psychologists examined the factors that impact whether or not a judge approves a criminal for parole.

"The researchers examined 1,112 judicial rulings over a 10-month period. All of the rulings were made by a parole board judge, who was determining whether or not to allow the criminal to be released from prison on parole. (In some cases, the criminal was asking not for a release, but rather for a change in parole terms.)" While you might think the judges were affected by the type of crime committed, you'd be wrong. Instead, the judges choices were more influenced by whether or not they had just had a food break. Most — about 65 percent — of the potential parolees, received parole early in the morning or after a break, regardless of the crime.

Those who had their hearings early in the morning or after lunch were much more likely to get parole than those who sat before the judge at the end of the morning or the end of the day, when the judges were likely, let's face it, crankier.

## 3. Develop routines to overcome decision fatigue.

I have a pretty solid morning routine, no matter what my day is like. I wake up, make coffee, check email and social media – just to "wake up." Then I get right into writing my first couple of articles. Then I eat breakfast. I do this every single morning. I get a lot done this way too. I also have routines for when I feed my dogs (I have 23) and different but similar routines for my workouts and different days when I have to be in different places. Routines are essential to good decision making because they eliminate the minor decisions that often take up the day.

#### 4. Eliminate decisions.

Plan out your decision making before you have to make it. Put out what you're going to wear in the morning. Decide what or where you will eat. Deciding

these beforehand, eliminates the need to spend time on the decisions the next day — and potentially fighting your willpower. Be resolved to wake up and work out and you will.

#### 5. Sleep well.

Sleeping better helps you make better decisions. If you are feeling rested, you won't be tempted by that mid-morning doughnut or the temptation to not go for a run. Try and get to sleep about the same time every night. Make it a routine. If there is a day every week that plays a show you like on TV, incorporate that into your routine or record it for viewing at an earlier hour. It's important to get the right amount of sleep for you. If you can, incorporate a nap into your schedule. Even 20 minutes can give you a boost and help you conquer your decisions.

#### 6. Make commitments, not decisions.

Don't stand at the door trying to decide if you should go for a walk. Instead, plan it into your day. Think about the things that you want to do — I mean the things you really want to do and plan for them. If you want to lose 40 pounds, figure out the steps necessary to make that happen. Plan out your meals and schedule workout time. Making this a part of your daily routine means that you don't have to decide anymore. You just have to follow your schedule.

I used to hate going for a walk or a run. I thought it was boring. But I knew I had to do it in order to lose the weight I had to lose and get back into shape. So I scheduled time in my afternoon. Coincidentally, this time (about 3pm) is about the time everyday when I used to want to lay on the couch, watch TV and take a nap. Now, even if I feel like laying down, I lace up my sneakers and start walking. Usually kind of slowly at first, until I get into the groove and start running or do some sprints. All of a sudden, I'm having a great workout. But I wouldn't if left to my own devices. Plan. It helps.

## 7. Prepare for moments of weakness.

I know that everyday around 3 pm, I'm not going to feel like walking or running. I have to mentally prepare myself for this little argument I have with myself. Sometimes, it's just about changing motions. I have to go and get a fresh pair of socks, put on my shoes. And then, well, I have my shoes on, I might as well just walk a little. I don't have to go really far, I telly myself. Just get out the door and get some air. Then I grab one of my dogs and we walk

along and pretty soon I'm running or jogging or climbing hills with them, having a good time. Now that I've done this routine everyday for about four years, I know I'll feel better once I get going. But it wasn't always like that. I had to prepare for that weak moment.

This is also true with food. I love carbs and sweets. Really. I would eat them all the time. Bread, cookies, you name it. I had to stop. I also had to learn to walk away when my cravings got bad. I learned that I would eat a treat around 9:30 or 10 pm in front of the TV. For a long time, I started going to bed at 9 pm with a book. I would read and then fall asleep, never getting the treat because it was down in the kitchen instead of staring me in the face. Learning to prepare and act before the weak moment comes is key to good decision making.

## 8. Take time for yourself.

If you are at work and you are constantly confronted with decisions, you might, just like the judges mentioned above, start to get a little cranky. Take a break when this starts to happen. Go outside and walk or sit under a tree and read a book you like. Getting a mental break from issues that aren't your own is essential to your own mental clarity and will help you make better decisions later on in the day.

## 9. Shopping is exhausting. Avoid it if you can.

Why is online shopping so much easier than shopping in person? You are making fewer decisions. If you know you want a certain pair of sneakers, online, you can just go get those sneakers and buy them. At the store, though, you have a multitude of options and then, decisions to make. Researchers found that those making shopping decisions gave up more quickly on a math test.

## 10. Let your unconscious mind work for you.

Have you ever felt confounded by a problem? Have you ever gone to "sleep on it," and awoken understanding the problem better? Sure, we all have. Sometimes, relaxing, focusing on something else or getting some sleep, can help you clear away the detritus around the problem and let your mind do the work. Believe it or not, your brain is still working whether you are thinking about something or not. Relax. Go play volleyball and let your brain do the heavy-lifting for a while.

## **Techniques of Decision Making**

Everything you need to know about the techniques of decision making. Decision-making needs to be accurate and rational to be effective.

Decision-making becomes a challenging exercise especially when decisions are complex and have implications on major stakeholders. Success of an organisation depends on corrective decision-making.

Right decisions may bring success, whereas a wrong decision may ruin an organisation. For the purpose of carrying out decision-making procedure, a wide variety of decision-making techniques are adopted.

The techniques of decision making can be studied under the following heads:- 1. Qualita-tive Techniques 2. Quantitative Techniques.

## Some of the qualitative techniques of decision making are:-

1. Intuitive Approach 2. Delphi Technique 3. Brainstorming 4. Nominal Group Technique (NGT) 5. Multi-Voting 6. Didactic Interaction.

## Some of the quantitative techniques of decision making are:-

- 1. Management Information Systems (MIS) 2. Decision Support System (DSS)
- 3. Decision Tree 4. The Delphi Technique 5. Decision Matrix 6. Cost Benefit Analysis 7. Payback Analysis 8. Simulation 9. Network Analysis 10. Operations Research.

# Techniques of Decision Making: Qualitative and Quantitative Techniques

**Techniques of Decision Making** 

There are various techniques of decision making.

#### They fall into two broad categories:

- 1. Qualita-tive, and
- 2. Quantitative.
- 1. Qualitative techniques Intuitive approach to decision making is qualitative in nature.
- 2. Quantitative techniques Such techniques include MIS, DSS, decision-tree and the Delphi method.

Intuition is an individual's innate belief about something without conscious consider-ation.

## 1. Qualitative Techniques:

#### **Intuition:**

It is making a choice without the use of conscious thought or logical inference. It is important for a manager to develop his intuitive skills because they are as important as rational analysis in many decisions.

## The Intuitive Approach to Decision Making:

When managers make decisions solely on hunches and intuition they are practising manage-ment as though it were wholly an art based only on feelings. The intuitive approach refers to the approach used when managers make decisions based largely on hunches and intuitions.

## **Rational Approaches to Decision Making Revisited:**

Approaches to decision making that attempt to evaluate factual information through the use of some type of deductive reasoning are referred to as rational approaches.

The following points discuss two types of rational approaches:

## a. The Optimising Approach:

## The optimising approach (sometimes called the rational or scientific approach) to decision making includes the following steps:

- i. Recognise the need for a decision.
- ii. Establish, rank and weigh the decision criteria.
- iii. Gather available information and data.
- iv. Identify possible alternatives.
- v. Evaluate each alternative with respect to all criteria.
- vi. Select the best alternative.

Once the need to make the decision is known, criteria must be set for expected results of the decision. These criteria should then be ranked and weighed according to their relative importance.

Next, factual data relating to the decision should be collected. After that, all alternatives that meet the criteria are identified. Each is then evaluated with respect to all criteria. The final decision is based on the alternative that best meets the criteria.

## **Limitations of the Optimising Approach:**

The optimising approach to decision making is no doubt an improvement over the intuitive approach. But it is not without its problems and limitations.

First, the assumptions on which the approach is based are often unrealistic; decision makers do not always have clearly defined criteria for making decisions.

Second, many decisions are based on limited knowledge of the possible alternatives; even when information is available, it is usually less than perfect.

Third, there is always a temptation to manipulate or ignore the gathered information and choose a favoured (but not necessarily the best) alternative.

Due to limitations of the optimising approach, most decisions still involve some judg-ment. Thus, in making decision, the manager generally uses a combination of intuitive and rational approaches.

## b. The Satisfying (Administrative) Approach Restated:

Believing the assumptions of the optimising approach to be generally unrealistic, Herbert Si-mon, in attempting to understand how managerial decisions are actually made, formulated his principle of bounded rationality.

This principle states, "The capacity of the human mind for formulating and solving complex problems is very small compared with the size of the problems whose solutions is required for objectively rational behaviour — or even for a reasonable approximation to such objective rationality". Basically, the principle of bounded rationality states that human rationality has definite limits.

## Based on this principle, Simon proposed a decision model of the administrative man, which is based on following assumptions:

- i. A person's knowledge of alternatives and criteria is limited.
- ii. In general people act on the basis of a simplified, ill-structured, mental abstraction of the real world; this abstraction is influenced by personal perceptions, biases, and so forth.
- iii. People do not attempt to optimise but will take the first alternative that satisfies their current level of aspiration. This is called satisficing.
- iv. An individual's level of aspiration concerning a decision fluctuates upward and down-ward, depending on the values of the most recently identified alternatives.

Optimising means selecting the best possible alternative; satisficing means selecting the first alternative that meets the decision maker's minimum standard of satisfaction. Assumption four is based on the belief that the criteria for a satisfactory alternative are determined by the person's current level of aspiration. Level of aspiration refers to the level of performance a person expects to attain, and it is impacted (influenced) by the person's prior successes and failures.

Fig. 2 represents the satisficing approach to decision making. If the decision maker is satisfied that an acceptable alternative has been found, she or he selects that alternative. Otherwise the decision maker searches for an additional alternative. In Fig. 2 the double arrows indicate a two-way relationship – The value of the new alternative is influenced by the value of the best previous alternative.

The value of the best previous alternative is, in turn, influenced by the value of the new alternative. As is indicated by the arrows, a similar two-way relationship exists between the value of the new alternative and the current level of aspiration. The end result of this evaluation determines whether or not the decision maker is satisfied with the alternative. Thus the decision maker (called

the administrative man) selects the first alternative which meets the minimum satisfaction criteria and makes no real attempt to optimise.

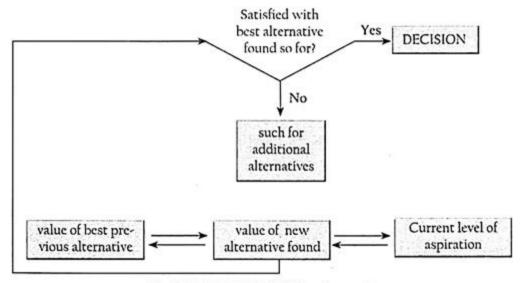


Fig. 2: Model of the Satisficing Approach

## 2. Quantitative Techniques:

Armed with information managers can make better decisions. Frontline managers, for ex-ample, who are supplied with direct activity cost information, can better manage revenue mar-gins (profits) and costs. Organisations can achieve more consistency between upper manage-ment and lower-level managers by providing more information throughout the organisation.

## The quantitative decision-making techniques are:

- i. Management Information System (MIS),
- ii. Decision Support System (DSS),
- iii. Decision tree and
- iv. Delphi technique.

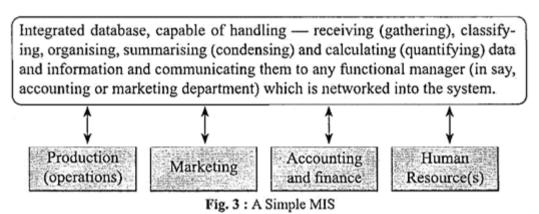
## i. Management Information Systems (MIS):

Management information systems (MIS) are reporting systems which summarise, collate and present information on a certain activity such as processing a transaction. An MIS is a procedure which is concerned with getting appropriate information to managers as and when they need it.

It is a comprehensive computer system for providing financial and qualitative information to all levels of management. Access to data is by the need to know and is restricted to areas regarded as useful for particular managers; confidential information is restricted to top management.

Management information systems (MIS) provide support to an organisation's managers by providing daily reports, schedules, plans and budgets. A basic MIS is presented in Fig. 3. In-formation activities of each functional manager vary depending on whether he is in accounting department or marketing department as also the management level.

In general middle-level managers focus mainly on internal activities and information, higher- and top-level managers also remain engaged in external activities. However, middle-managers are the largest MIS user group. Since they use this technique extensively and frequently they need networked information to plan such emerging activities as employee training, materials handling and cash flows.



MIS produce reports which fall into three main categories.

First are periodic, scheduled reports. For example, an MIS may produce weekly reports regarding sales activity broken down by region.

Second, MIS produce demand reports, which are generated on request by the managers.

Finally, some MIS produce exception reports, which are generated as warn-ings based on certain business conditions. For example, an inventory system may produce an exception report to warn managers of low stock levels for a particular product line. MIS are normally highly structured since they involve highly repetitive, simple calculations with little variability in their presentation.

## ii. Decision Support System (DSS):

With Internet-hosted databases and user-friendly query tools becoming more common, corporations are turning to decision support system (DSS) software to analyse the firm's databases and turn them into information useful for decision making. DSS typically includes analytical and report-writing features, thus enabling users to translate new data into a form useful for decision support.

DSS is a computer information system which performs complex data analysis that helps users make informed decisions. It is a procedure which is concerned with getting appropriate information to managers as and when they need it and which aids two managers in making decisions.

A DSS is generally based upon interactive computer networks which can help the managers to solve problems and to gauge the effects of alternative outcomes of a decision. While some DSSs are developed to solve specific problems others serve more general purpose. This allows management to analyse different types of problems.

A DSS involves sophisticated analytical modelling to support semi-structured and unstructured decision making, mainly at the managerial level. DSSs implement mathematical and/or heuristic models to process data. They go much further than the type of information presentation done by MIS systems. They also give recommendations to the user, identify advantages and disadvantages of decision alternatives. Sometimes, these systems employ artificial intelligence techniques.

Decision support technology is a comparatively new development in software. However, DSS offers highly flexible programming paradigms. It slices and dices data that may be novel and complex into understandable chunks to facilitate shared consideration of multiple criteria. The DSS can assist in decisions for which predetermined solutions are unknown by using sophisticated models and data analysis.

#### **Advantages:**

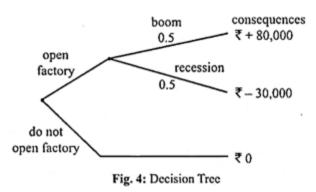
- (a) A DSS can result in much time savings as well as an improved decision making.
- (b) DSS can speed collaboration when there are several decision makers and all of them have to be satisfied. By providing multiple users with access to the firm's data, DSS can clarify the decision-making process and enhance consistency among multiple decision makers. With electronic commerce competitors respond to strategic decisions within days or even hours. The speed with which decisions are made becomes more critical. DSS helps decision makers consider a wider range of alternatives in a short period of time.

Now-a-days middle and top-level managers receive decision-making assistance from a Decision Support System (DSS). It is an interactive system which locates and present information needed to lend necessary support to the decision-making process.

DSS are now-a-days extensively used to support the marketing department. They use mathematical models to project the outcome of new decision, adding variables — such as -previous outcomes in similar contexts — to help marketers to make optimal decisions.

#### iii. Decision Tree:

Decision tree is an aid to decision-making in uncertain conditions that sets out alternative courses of action and the financial consequences of each alternative, and assigns subjective probabilities to the likelihood of future events occurring. For example, a firm or a business person thinking of opening a new factory the success of which will depend upon consumer spending (and thus the state of the economy) would have a decision tree like Fig. 4.



The business person has two options – to open a new factory to boost production capacity or not to open a new factory; and he has to consider two states of nature or events which can occur- economic boom or recession. The business person must assess the likelihood of each of these events occurring and, in the case, based on his knowledge and experience, he estimates that there is a one-in-two chance of a boom and a 0.5 probability of a recession. Finally, the business person estimates the financial consequences as a Rs. 80,000 profit for the new factory if there is a boom, and a Rs. 30,000 loss if there is a recession.

In order to make a decision, the manager needs a decision criterion to enable him to choose which he regards as the best of the alternatives and, since choices involve an element of risk, we therefore need to know something about his attitudes to risk. If the manager were neutral in his attitudes to risk then we could calculate the certainty equivalent of the 'open factory' alternative using the expected money value criterion, which takes the financial consequence of each outcome and weights it by the probability of its occurrence, thus —

$$0.5 \times (₹80,000) = +₹40,000$$
  
$$0.5 \times (-₹30,000) = -₹15,000$$
  
$$= +₹25,000$$

which being greater than the Rs. 0 for certain of not opening the factory would justify going ahead with the factory project.

However, if the manager were averse to risk then he might not regard the expected money value criterion as being appropriate, for he might require a risk premium to induce him to take the risk. Application of a more cautious certainty equivalent of the 'open factory' branch might even tip the decision against going ahead on the grounds of the 'downside risk' of losing Rs. 30,000.

## iv. The Delphi Technique:

The Delphi technique is an approach to generating new ideas or problemsolving amongst a group or team. Each member or interested party submits his or her recommendations or views on the issue under review to a central contact point. All ideas generated in this way are then circulated to all those participants in the process, who then have the opportunity to submit comments on them.

This process is repeated until a consensus emerges. Although time consuming, it can be an effective approach to the management of change. The reason it that it enables all interested parties to express their view, generates consensus and, by incorporating all in the decision-making process, tends to generate commitment to the final outcome.

## Techniques of Decision Making — Qualitative, Quantitative and Other Techniques

Decision-making needs to be accurate and rational to be effective. Decision-making becomes a challenging exercise especially when decisions are complex and have implications on major stakeholders. Success of an organisation depends on corrective decision-making. Right decisions may bring success, whereas a wrong decision may ruin an organisation. For the purpose of carrying out decision-making procedure, a wide variety of decision-making techniques are adopted.

## These techniques can be classified into two broad categories:

## **Technique #1. Qualitative:**

Qualitative techniques of decision-making are subjective in nature as it is based on factors other than numerical data. It is a more in-depth analysis of the

factors. Qualitative decision-making is based not just on the numerical statistical data but other associated factors that may have influence on the collected data.

It is an in-depth analysis of all possible factors that can affect the decision-making process. While exercising qualitative decision-making, managers are required to have experiential knowledge of the various factors underlying a problem. Qualitative decision-making is also called group decision-making as decision is an outcome of mutual discussion.

#### Various qualitative decision-making techniques are:

## (i) Delphi Technique:

Delphi method was developed way back in 1950s by Olaf Helmer and Norman Dalker at the RAND Corporation to forecast the impact of technology on warfare. It was incorporated to reduce the range of responses and arrive at a consensus. Since then, the Delphi method has been widely adopted by organisations as an important decision-making technique.

Delphi method aims at soliciting the views of experts through a series of strategically designed questionnaires interspersed with information and opinion feedback so as to converge their responses to a consensus.

A very comprehensive definition of Delphi method is given by Wechsler, who says, "Delphi is a survey which is steered by a monitor group, comprises several rounds of a group of experts who are anonymous among each other and for whose subjective-intuitive prognoses, a consensus is aimed at. After each survey round, a standard feedback about the statistical group judgment calculated from median and quartiles of single prognoses is given and if possible, the arguments and counter arguments of the extreme answers are fed back".

## Thus, a Delphi method is adopted in the following procedure:

- (a) A panel of experts is selected for resolving a particular problem.
- (b) These experts are kept separated and their anonymous judgment or opinion over the issue is sought through questionnaire or a survey. Maintaining their anonymity helps in getting the unbiased responses.
- (c) After this, members are asked to share and discuss their assessment with each other.
- (d) Replies are collected, summarised and is given back to all the experts.

- (e) With this information of previous round assessment, the experts are required to make fresh decisions with the new inputs.
- (f) This process goes on for numerous rounds until a satisfactory convergence of experts' opinions is arrived at.

Delphi technique is a very useful technique for handling and resolving the complex problems which are subject to many interpretations and alternatives. Although, it is a time- consuming exercise and its success depends largely on the expertise, of the panelists and their communication skills.

## (ii) Brainstorming:

Brainstorming is a powerful decision-making technique used to extract ideas from a group of people. For brainstorming, groups are formed and each individual is provided with a platform to explore and express their ideas to others. Brainstorming may be used by an organisation for multiple objectives such as solving a problem, generation of new ideas, team development, etc.

In order to be affective, brainstorming session needs to be structured so as to avoid chaos, individuals should be provided with a criticism-free environment and freedom to express their views. Unlike Delphi, brainstorming is done face-to-face so that each individual knows what is happening and may act and react.

## Brainstorming is carried out in an organisation by adopting the following procedure:

- (a) Create a group and make it familiar with the objective and purpose of discussion.
- (b) Provide an environment in which each member of the group is able to interact clearly with every other member of the group.
- (c) Provide adequate time and opportunity to every member to express their opinion.
- (d) If possible, facilitator keeps on chalking down the ideas generated.
- (e) Finally, the ideas generated or alternative solutions deciphered are assessed, analysed and prioritised.

For example, an organisation has witnessed a sharp decline in its sales in recent months. It is now looking for various means by which it can increase its sales.

In this case, a company wants to first develop a list of alternatives for increasing sales and then prioritise them. Thus, this issue can be best resolved through a

brainstorming activity by inviting people from within the company or outside experts to discuss on the issue. They may sit together and develop a list of alternatives and rank them unanimously.

## (iii) Nominal Group Technique (NGT):

Nominal Group Technique is a variation of brainstorming technique. It is a structured process of obtaining the group's opinions, ideas, suggestions, etc. Unlike brainstorming, in Nominal Group technique, each member is acquainted with the problem or issue under consideration and is required to pen down his opinion and suggestion on a piece of paper.

Thus, initially no discussion is permitted amongst members. After all participants have given their ideas, then each one's proposition and suggestion is discussed in an interactive manner within the group. Participants, as an outcome of this technique, develop a mathematical aggregation of each participant's preferences so as to give the group ranking.

## Thus, NGT technique is widely used in qualitative decisionmaking due to its following benefits:

- (a) Involving personnel for decision-making process helps in wider acceptability of the final decision.
- (b) Silent generation of ideas initially minimises the possibility of biases and undue influences. It allows an individual to be creative.
- (c) Subsequent discussions and interactions allow the group to take the advantage of diversity of minds.

## (iv) Multi-Voting:

Another group decision-making tool is multi-voting. In this method, repeated rounds of voting are carried out until a consensus is arrived at. In this method, each participant presents his opinion or proposition in front of the panel and each member casts a vote. When voting for every participant's suggestion is completed, the strategies or suggestions with highest voting qualify for the next round. This process is continued until a clear unanimous strategy is voted.

## (v) Didactic Interaction:

This is a very useful decision-making technique when decisions to be taken are dichotomous in nature. The solution to such decisions is in terms of either "yes"

or "no" decision. For example, to purchase machinery or not to purchase, to import or not to import, to sell or not to sell, etc. These decisions are mutually exclusive, i.e., acceptance of one decision automatically results in rejection of another.

For this method, instead of one group of experts, two group of experts are created, one favouring a "yes" decision and other favouring a "no" decision. Each group then generates the list of justifications for their decisions and then interact and discuss with their findings. With mutual interactions and discussions, both the groups arrive at a consensus and a decision is taken.

## **Technique # 2. Quantitative Decision-Making:**

Quantitative decision-making is the one which is based on numerical and quantifiable data. The quantitative approach to decision-making aims at solution finding through mathematical models. Such decision-making techniques are applicable in case of structured decisions. According to Good pasture, "Quantitative decision-making is most useful when there is a rational policy for obtaining the outcomes." There are numerous methods of making decisions with the help of quantifiable data.

#### The most common ones are as follows:

## (i) Decision Matrix:

Decision matrix method was invented by Professor Stuart Pugh and is also called as Pugh method. Decision matrix method is a quantitative technique used to rank the multi-dimensional options available for an underlying problem. This technique is primarily used when various alternatives are available and many different parameters are to be considered for making a selection.

Various areas of applicability of decision matrix are investment options, vendor options, product options, etc. The Decision Matrix is used by exercising a series of pair-wise comparisons between alternatives against a number of criteria or requirements. One of its key advantages over other decision-making tools is that Decision Matrix is able to handle a large number of decision criterion simultaneously.

## (ii) Cost Benefit Analysis:

Cost benefit analysis is a systematic process for evaluating the feasibility of projects or proposals under consideration. As the name indicates, this method aims at comparing total benefits derived from a project with the total costs incurred for the same.

## Cost benefit analysis, as a decision-making technique, is useful in situations where:

- (a) Benefits and costs from a project can be numerically identified.
- (b) Evaluating and selection of a project among many alternatives.
- (c) Determining the feasibility of a capital purchase.

Being a numeric decision-making technique, cost benefit analysis should normally be undertaken for any project which involves policy development, capital expenditure, use of assets or setting of standards.

## (iii) Payback Analysis:

Payback analysis is a financial tool in the hands of a decision-maker to determine the viability of the project by calculating payback period for the projects. Payback period may be defined as the period within which initial investment of a project is recovered. In other words, it tells how long a project will take to recover its initial investment. As a decision-making tool, on the basis of payback period, a manager may decide which project to accept and which to reject. A project with less payback period is preferred over others as it is fastest in recovering its investment.

#### Payback period is calculated using the following formula:

Payback period = 
$$\frac{\text{Initial investment}}{\text{Net cash flows from a project}}$$

## (iv) Decision Tree Analysis:

Decision tree analysis may be defined as a decision support tool which makes use of a tree-like graph, i.e., branching and depicting all possible decision alternatives for a particular problem. A decision tree is a pictorial method which starts with a root, i.e., underlying problem or decision to be made.

This root is then spread to branches and nodes depicting various alternatives and solutions available before the decision-makers for the underlying problem along with the state of nature and respective probability of occurrence of alternatives.

Decision trees, besides being pictorial, are also helpful in effective decisionmaking as they involve a systematic and formalized process leading to the presentation of holistic view of various alternatives to a particular problem and their respective consequences or outcomes.

## (v) Simulation:

Simulation may be defined as an imitation of a real-life situation. As a decision-making technique, simulation is used by creating a replica of real-life situation so as to know what could be an outcome under real operating conditions. Donald G. Malcolm defines simulation as, "a model which depicts the working of a large-scale system of men, materials, machines and information operating over a period of time in a simulated environment of the actual real world conditions." Simulation technique primarily aims at answering "what if' questions about real-life situations.

## The simulation method may be adopted in the following situations:

- (a) In the study of projects involving huge investments before actual implementation.
- (b) For foreseeing the difficulties or problems that may arise due to implementation of new machinery, process or system.
- (c) For training employees without disturbing the actual operations.
- (d) Situations where actual execution or performance is irreversible such as medical operations, layout of a building, wars, etc.

## (vi) Network Analysis:

Network analysis refers to use of network techniques for solving large, complex problems comprising of many interrelated activities to be performed in a particular order. For example in metro construction, bridge construction, etc., network analysis is applicable for successful completion of projects within time.

Network is a graphical presentation of these interrelated activities in the order of their occurrence connected through arrows and depicted by nodes. Network analysis aims at developing a network and then planning, scheduling and controlling of performance of activities of a large complex project.

## There are primarily two network techniques which are widely applied. These are:

- (a) Programme Evaluation Review Technique (PERT) PERT is a technique applicable for projects with non-repetitive activities. PERT is a probabilistic approach where time of completion of each activity is not certainly known.
- (b) Critical Path Method CPM is a project evaluation technique which aims at identification of total duration for the project completion time along with the shortest path for its completion. CPM is a deterministic networking technique where activity completion time is known with certainty.

## (vii) Operations Research:

Operations research may be defined as a scientific method making use of various tools and techniques to quantitatively provide solutions to the problems. As a quantitative decision-making technique, operations research is very widely used to solve a wide variety of problems.

With the help of applying operation research techniques, management is able to solve many complex problems through a systematic and objective methodology, which is subject to minimal biases. Operations research as a scientific approach comprises of various techniques which have their respective areas of applicability.

## These techniques are:

- (a) Linear programming It is an optimization technique. It deals with the optimisation (maximisation and minimisation) of an objective function, i.e., problem under consideration subject to availability of constraints.
- (b) Transportation model This is a decision-making technique which aims at managing the movement of goods from V number of sources to 'm' number of destinations in the most cost-effective manner.
- (c) Assignment model This technique aims at assigning jobs to various task persons so as to minimise the cost of getting the work done.
- (d) Inventory control These techniques aims at taking decisions for economic order quantity, how much quantity to order, how frequently to order, what should be the safety stock level, etc.
- (e) Queuing theory This technique is applicable for resolving the long queue issues and problems of traffic congestion. For example, at petrol pumps, railway booking window, service windows in a college, etc., all face long queues. This

technique primarily answers questions such as whether to open a new counter or not, what is the desired number of persons in a queue so as to maintain efficiency, etc.

(f) Sequencing theory – This technique involves determination of an optimal order or sequence of performing a series of jobs so as to optimise the total time or cost involved in the process.

## **Other Decision-Making Techniques:**

## i. Management Information System (MIS):

Management Information System or 'MIS' is a computer-based system of collecting, storing and disseminating data in the form of information needed to carry out the functions of management. MIS is a system to support the decision-making function in an organisation. It helps the managers to discharge their functions of management efficiently and effectively. With MIS, the quality of management enhances as it provides accurate, timely and relevant information necessary for planning, organisation and control.

According to Dickey, "Management Information System is an approach to information system design that conceives the business enterprise as an entity composed of interdependent system and sub-systems, which with the use of automated data processing systems attempt to provide timely and accurate management information which will permit optimum management decision-making."

## **Objectives of MIS:**

- (a) Capturing Data The very first purpose of MIS is to capture and collect data from diverse sources which will facilitate in organisational decision-making. Data may be specific, general, and contextual or may be an operational information.
- (b) Processing Data The data captured is in its original form is not apt for the purpose of making decision-making. Hence, it is processed to be converted into information. This processed data is utilised for various organisational functional decision areas such as planning, organising, coordinating, directing and controlling.

## Data can be processed through:

- (i) Making calculations
- (ii) Sorting of data

- (iii) Classifying data
- (iv) Summarising data.
- (c) Information Storage MIS stores the processed or unprocessed data for future use. If any information is not immediately required, it is saved as an organisation record, for later use.
- (d) Information Retrieval The system should be able to retrieve this information from the storage as and when required by various users.
- (e) Dissemination of Information Information, which is an output or finished product of MIS, is disseminated to the users in the organisation.

#### **Characteristics of MIS:**

- (a) Systems Approach MIS follows a systems approach. It means considering a systematic and comprehensive outlook of various input and output subsystems.
- (b) Management-oriented Management information system, being a very critical and integral part of decision-making, focuses on catering to the decision-making requirements of various managerial functions such as- planning, organising, staffing, etc.
- (c) Need-based Management information system is a means for effective decision-making. Thus, it is designed and implemented according to the need and requirement of an organisation or of specific level.
- (d) Future Orientation Being a tool for decision-making, MIS is essentially a future-oriented technique. Collecting data and providing information for taking decisions is done by MIS for future reference.
- (e) Integrated approach MIS, being a computer-based system aims at collection, processing and dissemination of information on a unanimous basis. It adopts an integrated approach so as to provide more meaningful information to the right person at the right time.
- (f) Long-term Planning MIS is a decision-making system which involves a complex set-up and expertise to implement it. To reap the benefits of MIS, it is implemented in an organisation for a long-term period.

## **Significance of MIS:**

In the recent years, the need for management information system has increased manifold due to the following reasons:

- (a) Fosters Effective Planning MIS is very useful for efficient and effective planning function of an organisation. MIS by providing quick and timely information to the management will be instrumental in developing plans more accurately and swiftly.
- (b) Faster Communication Management information system, with the computer-based information system and usage of advanced techniques of information transfer, ensures that information reaches the right person at the right time. With MIS, the formal communication becomes fast and accurate.
- (c) Globalisation and Reducing Cultural Gap With the implementation of computer-based information system in organisations, one can scale down the problems arising from the linguistic, geographical and some cultural diversities. With MIS, sharing of information, knowledge, communicating and building relationships between different countries become much easier.
- (d) Availability Management information systems have made it possible for businesses to be open 24 x 7 across the globe. This means that a business can be open anytime and anywhere making trade between different countries easier and more convenient.
- (e) Cost-Effectiveness and Productivity MIS application promotes more efficient operation of the company and also improves the supply of information to decision-makers. Applying such systems can also play an important role in helping companies to put greater emphasis on information technology in order to gain a competitive advantage.
- (f) Effective Means of Control MIS is instrumental in generation of various kinds of reports indicating about the performance of men, materials, machinery, money and management. MIS is helpful in controlling costs by giving information about idle time, labour turnover, wastages and losses and surplus capacity. Furthermore, MIS makes comparison of actual performance with the standard and budgeted performance very promptly, enabling mangers to take remedial actions in no time.

#### **Limitations of MIS:**

MIS, although being a very sophisticated decision-making tool, has the following limitations:

#### (a) Only Quantitative Inputs:

MIS considers primarily quantitative components and thus, in this manner, it disregards the non-quantitative variables like assurance, motivation, dispositions

of individuals from the association, etc., which have an essential impact and influence on the organisation's decision-making process.

#### (b) Meant for Programmed Decisions:

MIS is less useful for making non-programmed decision-making. Such types of decisions are not of routine type and thus they require information, which may not be available from existing MIS to executives.

#### (c) Inflexibility:

With ever changing and dynamic environment, MIS may not be flexible enough to have imperative adaptability to rapidly redesign itself with the changing needs of time.

#### (d) No Substitute for Effective Management:

MIS, despite being an important element in decision-making, does not replace the role and function of managerial judgment in decision-making. It is simply a vital device in the hands of decision-makers which facilitate in decision-making and problem-solving.

#### (e) Expensive:

Implementation of management information system in an organisation requires huge investment in terms of installation of computers, appointment of specialised technical staff and providing training to existing employees for effectively utilising it.

## ii. Decision Support System (DSS):

Decision Support Systems (DSS) are interactive computerised information systems planned in a manner so as to enable the decision-takers to make a selection of the most feasible alternative amongst various options available. As the name says, DSS is a software-based system which assists managers in taking decisions by providing access to voluminous information collected from various information systems in an organisation.

It need not necessarily take the decision itself. An appropriately composed DSS is an intelligent programming based framework expected to help the decision-makers to assemble valuable data from a mix of crude information, reports, individual learning, or plans of action to recognise and take care of issues and finally take decision.

#### A DSS requires three basic constituents:

- (a) The database (or knowledge base)
- (b) The model (i.e., the decision context and user criteria)
- (c) The user interface

## **Objectives of DSS:**

- (a) Data handling The very objective of a DSS is to handle and store large amounts of data. It is like database searches which can be accessed as and when need for extracting the information arises.
- (b) Collection and processing of data DSS aims at procurement of data from varied internal and external sources and then processing it to convert into relevant information and finally storing it on the system for access.
- (c) Facilitate in report making DSS not only provides information but also helps the decision-maker by generating reports and presentations suiting his needs. DSS also helps the user by making charts, graphs, tables, etc., according to the requirement of the user.
- (d) Analytical support DSS also provides support to the user by making complex analysis and developing comparative charts with the help of using advanced software packages.
- (e) Performs "what-if" and goal-seeking analysis.

#### **Characteristics of DSS:**

- (a) DSS provides modern systematic models and information investigation instruments to bolster decision-making activities which are primarily semi-organised and unstructured.
- (b) DSS aims at concentrating on issues that are extraordinary and swiftly changing. It focuses on assisting in arriving at a solution and is not characterised with the system of arriving at a solution.
- (c) DSS is a system comprising of user-friendly softwares enabling the users to have easy interface and work directly. It has supportive networks which help management to address vital issues and long-term trends, both in internal and external environment.
- (d) Having a focus on unstructured and non-routine decisions, DSS relies upon judgment, assessment and knowledge of the manager rather than replacing it.

(e) DSS facilitates the decision-makers with an array of computing and communicating capacity so as to enable him to apply them in different situations and problems.

#### **Significance of DSS:**

- (a) Speedy Decision-Making Decision support system by facilitating the procurement, processing and storage of voluminous data enables the managers to extract and use information in no time. This reduces the decision cycle time and increases employee productivity. With the help of computerised support system, time savings are substantial which in turn speeds up the decision-making process.
- (b) Improves Effectiveness of User Another benefit derived from decision support system is that it enhances effectiveness of decision-makers. By providing ample information in no time, DSS helps in taking decisions after considering wider arena of information and alternatives.
- (c) Cost Saving Incorporation of a decision support system provides an environment where decision-making speeds up, information extraction and access is speedier, accurate and rapid. This brings a lot of operational benefits and thereby results in cost reduction.
- (d) Improves Interpersonal Communication DSS by improving the quantum of data accessibility and maintaining uniform access by the users aids in improving interpersonal relationships. DSS also provides a means for sharing facts and information about company operations which improves data availability.
- (e) Increases Satisfaction of Decision-Maker DSS by providing computerised information, sophisticated softwares for analysis and wider coverage of data develops a sense of confidence in decision-maker that better and accurate information is used for taking decisions. This in turn leads to a satisfied and contended decision-maker.
- (f) Automation of Various Support Systems Data-driven DSS makes business information available to all users promptly as and when required. With DSS, an organisation is capable of automating various support systems and integrating the flow of information in an organisation.

#### **Limitations of DSS:**

Decision Support System brings many advantages for organisations and can have positive benefits.

## However, designing and developing of a decision support system may have following limitations:

- (a) Huge Cost Involvement The very essence of decision support system lies in collecting data from many sources and processes them to convert into information relevant for decision-making. Thus, it requires an investment into an effective information system. Moreover, for many purposes, DSS requires the development of advanced techniques, information insight and data framework, all employing a high cost.
- (b) Information Overload Providing of excess information may not necessarily be beneficial for the decision-maker. Instead, it may boomerang and reduce his efficiency in taking decisions. With information overload, decision-maker may feel overburdened, may filter important information and finally there may be a delay in decision-making.
- (c) Shift of Responsibility Through DSS, computerised information being at the helm of decision-makers, it becomes very convenient for them to avoid responsibility of any wrong decision by simply passing on the blame over to the computerised information.
- (d) Reduces Creativity Implementation of decision support system in an organisation may reduce the skills and creativity of the employees because of too much dependence on computers. Decision-maker may be reluctant in deciphering new methods and techniques of doing things and may opt for simply relying on what DSS provides.
- (e) Status Reduction Implementation of decision support system facilitates in collecting data, processing it, storing it and also provides various techniques and software to analyse it and make presentations. With this, many times, employees have a perception that their task is diminished to the clerical work.

## What is Mindfulness?

Are you supposed to clear your mind, or focus on one thing? Here's the Mindful definition of Mindfulness.



Mindfulness. It's a pretty straightforward word. It suggests that the mind is fully attending to what's happening, to what you're doing, to the space you're moving through. That might seem trivial, except for the annoying fact that we so often veer from the matter at hand. Our mind takes flight, we lose touch with our body, and pretty soon we're engrossed in obsessive thoughts about something that just happened or fretting about the future. And that makes us anxious.

Mindfulness is the basic human ability to be fully present, aware of where we are and what we're doing, and not overly reactive or overwhelmed by what's going on around us.

Yet no matter how far we drift away, mindfulness is right there to snap us back to where we are and what we're doing and feeling. If you want to know what mindfulness is, it's best to try it for a while. Since it's hard to nail down in words, you will find slight variations in the meaning in books, websites, audio, and video.

## The Definition of Mindfulness

Mindfulness is the basic human ability to be fully present, aware of where we are and what we're doing, and not overly reactive or overwhelmed by what's going on around us.

Mindfulness is a quality that every human being already possesses, it's not something you have to conjure up, you just have to learn how to access it.

## The Types of Mindfulness Practice

While mindfulness is innate, it can be <u>cultivated through proven techniques</u>. Here are some examples:

- 1. <u>Seated, walking, standing, and moving meditation (it's also possible lying down but often leads to sleep);</u>
- 2. Short pauses we insert into everyday life;
- 3. Merging meditation practice with other activities, such as yoga or sports.

## The Benefits of Mindfulness Practice:

When we meditate it doesn't help to fixate on the benefits, but rather to just do the practice, and yet there are benefits or no one would do it.

When we're mindful, we reduce <u>stress</u>, enhance <u>performance</u>, gain <u>insight</u> and <u>awareness</u> through <u>observing our own mind</u>, and increase our attention to others' well-being.

Mindfulness meditation gives us a time in our lives when we can suspend judgment and unleash our natural <u>curiosity</u> about the workings of the mind, approaching our experience with <u>warmth and kindness</u>—to ourselves and others.

## 8 Facts About Mindfulness:

- 1. **Mindfulness is not obscure or exotic.** It's familiar to us because it's what we already do, how we already are. It takes many shapes and goes by many names.
- 2. **Mindfulness is not a special added thing we do.** We already have the capacity to be present, and it doesn't require us to change who we are. But we can cultivate these innate qualities with simple practices that are

- scientifically demonstrated to benefit ourselves, our loved ones, our friends and neighbors, the people we work with, and the institutions and organizations we take part in
- 3. You don't need to change. Solutions that ask us to change who we are or become something we're not have failed us over and over again. Mindfulness recognizes and cultivates the best of who we are as human beings.
- 4. **Mindfulness has the potential to become a transformative social phenomenon.** Here's why:
- 5. **Anyone can do it.** Mindfulness practice cultivates universal human qualities and does not require anyone to change their beliefs. Everyone can benefit and it's easy to learn.
- 6. **It's a way of living.** Mindfulness is more than just a practice. It brings awareness and caring into everything we do—and it cuts down needless stress. Even a little makes our lives better.
- 7. **It's evidence-based.** We don't have to take mindfulness on faith. Both science and experience demonstrate its positive benefits for our health, happiness, work, and relationships.
- 8. **It sparks innovation.** As we deal with our world's increasing complexity and uncertainty, mindfulness can lead us to effective, resilient, low-cost responses to seemingly intransigent problems.

## Mindfulness Is Not All in Your Head

When we think about mindfulness and meditating (with a capital M), we can get hung up on thinking about our thoughts: we're going to do something about what's happening in our heads. It's as if these bodies we have are just inconvenient sacks for our brains to lug around.

Having it all remain in your head, though, lacks a feeling of good old gravity.

Meditation begins and ends in the body. It involves taking the time to pay attention to where we are and what's going on, and that starts with being aware of our body

That approach can make it seem like floating—as though we don't have to walk. We can just waft.

But meditation begins and ends in the body. It involves taking the time to pay attention to where we are and what's going on, and that starts with being aware

of our body. That very act can be calming, since our body has internal rhythms that help it relax if we give it a chance.

#### **How to Sit for Meditation Practice**

Here's a posture practice that can be used as the beginning stage of a period of meditation practice or simply as something to do for a minute, maybe to stabilize yourself and find a moment of relaxation before going back into the fray. If you have injuries or other physical difficulties, you can modify this to suit your situation.

- 1. **Take your seat.** Whatever you're sitting on—a chair, a meditation cushion, a park bench—find a spot that gives you a stable, solid seat, not perching or hanging back.
- 2. **Notice what your legs are doing.** If on a cushion on the floor, cross your legs comfortably in front of you. (If you already do some kind of seated yoga posture, go ahead.) If on a chair, it's good if the bottoms of your feet are touching the floor.
- 3. **Straighten—but don't stiffen— your upper body.** The spine has natural curvature. Let it be there. Your head and shoulders can comfortably rest on top of your vertebrae.
- 4. **Situate your upper arms parallel to your upper body.** Then let your hands drop onto the tops of your legs. With your upper arms at your sides, your hands will land in the right spot. Too far forward will make you hunch. Too far back will make you stiff. You're tuning the strings of your body—not too tight and not too loose.
- 5. Drop your chin a little and let your gaze fall gently downward. You may let your eyelids lower. If you feel the need, you may lower them completely, but it's not necessary to close your eyes when meditating. You can simply let what appears before your eyes be there without focusing on it.
- 6. **Be there for a few moments.** Relax. Pay attention to your breath or the sensations in your body.
- 7. **Begin again.** When your posture is established, feel your breath—or some say "follow" it—as it goes out and as it goes in. (Some versions of the practice put more emphasis on the outbreath, and for the inbreath you simply leave a spacious pause.) Inevitably, your attention will leave the breath and wander to other places. When you get around to noticing this—in a few seconds, a minute, five minutes—return your attention to the breath. Don't bother judging yourself or obsessing over the content of the thoughts. Come back. You go away, you come back.

8. **That's it.** That's the practice. It's often been said that it's very simple, but it's not necessarily easy. The work is to just keep doing it. Results will accrue.



## What is mindfulness?

Mindfulness is the basic human ability to be fully present, aware of where we are and what we're doing, and not overly reactive or overwhelmed by what's going on around us.

While mindfulness is something we all naturally possess, it's more readily available to us when we practice on a daily basis.

Whenever you bring awareness to what you're directly experiencing via your senses, or to your state of mind via your thoughts and emotions, you're being mindful. And there's growing research showing that when you train your brain to be mindful, you're actually remodeling the physical structure of your brain.

The goal of mindfulness is to wake up to the inner workings of our mental, emotional, and physical processes.

## What is meditation?

Meditation is exploring. It's not a fixed destination. Your head doesn't become vacuumed free of thought, utterly undistracted. It's a special place where each and every moment is momentous. When we meditate we venture into the workings of our minds: our sensations (air blowing on our skin or a harsh smell wafting into the room), our emotions (love this, hate that, crave this, loathe that) and thoughts (wouldn't it be weird to see an elephant playing a trumpet).

Mindfulness meditation asks us to suspend judgment and unleash our natural curiosity about the workings of the mind, approaching our experience with warmth and kindness, to ourselves and others.

## How do I practice mindfulness and meditation?

Mindfulness is available to us in every moment, whether through meditations and body scans, or mindful moment practices like taking time to pause and breathe when the phone rings instead of rushing to answer it.

#### VIDEO: "YOU ARE NOT YOUR THOUGHTS"

Jon Kabat-Zinn, creator of the research-backed stress-reduction program Mindfulness-Based Stress Reduction (MBSR), explains how mindfulness lights up parts of our brains that aren't normally activated when we're mindlessly running on autopilot.

"Mindfulness is awareness that arises through paying attention, on purpose, in the present moment, non-judgementally," says Kabat-Zinn. "And then I sometimes add, in the service of self-understanding and wisdom."

## The Remarkable Brains of Long-Term Meditators

Researchers suggest that people with an advanced meditation practice might operate at a different level of awareness — and it shows in their brainwaves. Read

## **How Meditation Protects the Aging Brain from Decline**

A string of recent research suggests regular meditation practice may boost mental flexibility and focus, offering powerful protection against cognitive decline.

## **The Basics of Mindfulness Practice**

Mindfulness helps us put some space between ourselves and our reactions, breaking down our conditioned responses. <u>Here's how to tune into mindfulness</u> throughout the day:

- 1. **Set aside some time.** You don't need a meditation cushion or bench, or any sort of special equipment to access your mindfulness skills—but you do need to set aside some time and space.
- 2. Observe the present moment as it is. The aim of mindfulness is not quieting the mind, or attempting to achieve a state of eternal calm. The goal is simple: we're aiming to pay attention to the present moment, without judgment. Easier said than done, we know.
- 3. **Let your judgments roll by.** When we notice judgments arise during our practice, we can make a mental note of them, and let them pass.
- 4. **Return to observing the present moment as it is.** Our minds often get carried away in thought. That's why mindfulness is the practice of returning, again and again, to the present moment.
- 5. **Be kind to your wandering mind.** Don't judge yourself for whatever thoughts crop up, just practice recognizing when your mind has wandered off, and gently bring it back.

That's the practice. It's often been said that it's very simple, but it's not necessarily easy. The work is to just keep doing it. Results will accrue.

## **How to Meditate**

This meditation focuses on the breath, not because there is anything special about it, but because the physical sensation of breathing is always there and you can use it as an anchor to the present moment. Throughout the practice you may

find yourself caught up in thoughts, emotions, sounds—wherever your mind goes, simply come back again to the next breath. Even if you only come back once, that's okay.

#### A Simple Meditation Practice

- 1. **Sit comfortably.** Find a spot that gives you a stable, solid, comfortable seat.
- 2. Notice what your legs are doing. If on a cushion, cross your legs comfortably in front of you. If on a chair, rest the bottoms of your feet on the floor.
- 3. **Straighten your upper body**—but don't stiffen. Your spine has natural curvature. Let it be there.
- 4. **Notice what your arms are doing.** Situate your upper arms parallel to your upper body. Rest the palms of your hands on your legs wherever it feels most natural.
- 5. **Soften your gaze.** Drop your chin a little and let your gaze fall gently downward. It's not necessary to close your eyes. You can simply let what appears before your eyes be there without focusing on it.
- 6. **Feel your breath.** Bring your attention to the physical sensation of breathing: the air moving through your nose or mouth, the rising and falling of your belly, or your chest.
- 7. **Notice when your mind wanders from your breath.** Inevitably, your attention will leave the breath and wander to other places. Don't worry. There's no need to block or eliminate thinking. When you notice your mind wandering gently return your attention to the breath.
- 8. **Be kind about your wandering mind.** You may find your mind wandering constantly—that's normal, too. Instead of wrestling with your thoughts, practice observing them without reacting. Just sit and pay attention. As hard as it is to maintain, that's all there is. Come back to your breath over and over again, without judgment or expectation.
- 9. When you're ready, gently lift your gaze (if your eyes are closed, open them). Take a moment and notice any sounds in the environment. Notice how your body feels right now. Notice your thoughts and emotions.

## **Mindful Practices for Every Day**

As you spend time practicing mindfulness, you'll probably find yourself feeling kinder, calmer, and more patient. These shifts in your experience are likely to generate changes in other parts of your life as well.

Mindfulness can help you become more playful, maximize your enjoyment of a long conversation with a friend over a cup of tea, then wind down for a relaxing night's sleep. Try these 4 practices this week:

## **Meditation 101: Simple Guided Meditations**

#### 1. A Simple Breathing Meditation for Beginners

#### 5-Minute Breathing Meditation

This practice can help reduce stress, anxiety, and negative emotions, cool yourself down when your temper flares, and sharpen your concentration skills.

## 2. A Body Scan to Cultivate Mindfulness

#### 3-Minute Body Scan Meditation

A brief mindfulness meditation practice to relax your body and focus your mind.

## 3. A Simple Awareness of Breath Practice

#### An 11-Minute Awareness of Breath Meditation

One of the oldest meditation practices is also one of the simplest: Sit, and know you're sitting.

## 4. A Compassion Meditation

## Breathing Compassion In and Out

A loving-kindness meditation to reduce negative emotions like anxiety and depression and increase positive emotions like happiness and joy.

## 5. A Guided Meditation for Easing into Sleep

## A Guided Meditation for Sleep

A 20-minute bedtime practice to help you stay settled and less caught up in your thoughts, as you fall asleep.

## 6. A Meditation Practice for Anxiety

#### A 20-Minute Meditation for Working with Anxiety

This meditation combines breath awareness, the body scan, and mindfulness of thoughts to explore sources of stress and anxiety.

## 7. A Loving-Kindness Meditation for Deep Connection

Loving-Kindness Heartscape Meditation

Jon Kabat-Zinn leads this heartscape meditation for deep healing of ourselves and others.

## **Common Mindfulness Questions**

#### 1. Is there a wrong way to meditate? A right way to meditate?

People think they're messing up when they're meditating because of how busy the mind is. But getting lost in thought, noticing it, and returning to your chosen meditation object—breath, sound, body sensation, or something else—is how it's done. That's about it. If you're doing that, you're doing it right!

## 2. Are there more formal ways to take up mindfulness practice?

Mindfulness can be practiced solo, anytime, or with like-minded friends. But there are others ways, and many resources, to tap into. Mindfulness-Based Stress Reduction, Mindfulness-Based Cognitive Therapy, and other mindfulness-based trainings are available across North America. We've organized a list of centers here.

Daily guided meditations are also available by smartphone app, or you can practice in person at a meditation center. Read more about the types of programs currently available.

## 3. Do I have to practice every day?

No, but being that it's a beneficial practice, you may well find that the more you do it, the more you'll find it beneficial to your life. Read Jack Kornfield's guidelines for developing a daily practice <u>here</u>.

#### 4. How do I find a meditation instructor?

If you want to make mindfulness a part of your life, you'll probably want to consider working with a meditation teacher or instructor. You can even do that online using a video chat format of some kind, but even then the same principles apply. Here are 4 questions to consider when looking for a meditation teacher:

1) Do you have good chemistry with them? 2) Are they open and accessible? 3) Do they have a deep understanding of the practice? 4) Could they regard you like a friend?

#### 5. How do yoga and mindfulness work together?

There are a number of yoga poses that will help you with your mindfulness meditation practice. Here are 10 simple yoga exercises to reduce stress, improve well-being, and get you primed for a sitting meditation session—or anytime.

## What are the benefits of meditation?

Of course, when we meditate it doesn't help to fixate on the benefits, but rather just to do the practice. That being said, there are plenty of benefits. Here are five reasons to practice mindfulness.

- <u>Understand your pain</u>. Pain is a fact of life, but it doesn't have to rule you. Mindfulness can help you reshape your relationship with mental and physical pain.
- <u>Connect better</u>. Ever find yourself staring blankly at a friend, lover, child, and you've no idea what they're saying? Mindfulness helps you give them your full attention.
- <u>Lower stress.</u> There's lots of evidence these days that excess stress causes lots of illnesses and makes other illnesses worse. Mindfulness decreases stress.
- <u>Focus your mind</u>. It can be frustrating to have our mind stray off what we're doing and be pulled in six directions. Meditation hones our innate ability to focus.
- Reduce brain chatter. The nattering, chattering voice in our head seems never to leave us alone. Isn't it time we gave it a little break?

## Video: Mindful Movement Practice

Mindful movement can help you tap into that space beyond your busy mind where you are already calm and clear. By focusing on the breath while doing some simple movements you can synchronize your mind and body with breath and rhythm. What happens when you do that, even after just a few minutes, is you begin to pause and start to focus.

## Why Practice Mindfulness?

Some of the most popular ideas about mindfulness are just plain wrong. When you begin to practice it, you may find the experience quite different than what you expected. There's a good chance you'll be pleasantly surprised.

Mindful's editor-in-chief, Barry Boyce sets the record straight regarding these <u>5</u> things people get wrong about mindfulness:

- 1. Mindfulness isn't about "fixing" you
- 2. Mindfulness is not about stopping your thoughts
- 3. Mindfulness does not belong to a religion
- 4. Mindfulness is not an escape from reality
- 5. Mindfulness is not a panacea

Mindfulness Is About More than Just Stress Reduction

Stress reduction is often an effect of mindfulness practice, but the ultimate goal isn't meant to be stress reduction. The goal of mindfulness is to wake up to the inner workings of our mental, emotional, and physical processes.

Mindfulness trains your body to thrive: Athletes around the world use mindfulness to foster peak performance—from <u>university basketball players</u> practicing <u>acceptance of negative thoughts</u> before games, to <u>BMX champions</u> learning to follow their breath, and <u>big-wave surfers transforming their fears</u>. Seattle Seahawks Coach Pete Carroll, assisted by sports psychologist <u>Michael Gervais</u>, talks about coaching the "whole person." As writer Hugh Delehanty illustrates, players learn a blend of mindfulness, which Gervais calls tactical breathing, and cognitive behavioral training to foster what he calls "<u>full</u> presence and conviction in the moment."

**Mindfulness boosts creativity:** Whether it's <u>writing</u>, <u>drawing</u>, or <u>coloring</u>, they all have accompanying meditative practices. We can also <u>apply mindfulness to the creative process</u>.

Mindfulness strengthens neural connections: By training our brains in mindfulness and related practices, we can build new neural pathways and networks in the brain, boosting concentration, flexibility, and awareness. Wellbeing is a skill that can be learned. Try this basic meditation to strengthen neural connections.

## What Is Empathy?

**Table of Contents** 

- Definition
- Signs
- Types
- Uses
- Pitfalls
- Impact
- Barriers
- Causes
- Tips

## What Is Empathy?

<u>Empathy</u> is the ability to emotionally understand what other people feel, see things from their point of view, and imagine yourself in their place. Essentially, it is putting yourself in someone else's position and feeling what they are feeling.

Empathy means that when you see another person suffering, such as after they've <u>lost a loved one</u>, you are able to instantly envision yourself going through that same experience and feel what they are going through.

## **Empathy Definition**

Merriam-Webster defines empathy, in part, as "the action of understanding, being aware of, being sensitive to, and vicariously experiencing the feelings, thoughts, and experience of another."

While people can be well-attuned to their own feelings and emotions, getting into someone else's head can be a bit more difficult. The ability to feel empathy allows people to "walk a mile in another's shoes," so to speak. It permits people to understand the emotions that others are feeling.

## Press Play for Advice on Empathy

Hosted by Editor-in-Chief and therapist Amy Morin, LCSW, this episode of <u>The Verywell Mind Podcast</u>, featuring empathy expert Dr. Kelsey Crowe, shares how you can show empathy to someone who is going through a hard time. Click below to listen now.

For many, seeing another person in pain and responding with indifference or even outright hostility seems utterly incomprehensible. But the fact that some people do respond in such a way clearly demonstrates that empathy is not necessarily a universal response to the suffering of others.

If you are wondering whether you are an empathetic person, here are some signs that show that you have this tendency:

You are good at <u>really listening</u> to what others have to say.

People often tell you about their problems.

You are good at picking up on how other people are feeling.

You often think about how other people feel.

Other people come to you for advice.

You often feel overwhelmed by tragic events.

You try to help others who are suffering.

You are good at telling when people aren't being honest.

You sometimes feel drained or overwhelmed in social situations.

You care deeply about other people.

You find it difficult to set boundaries in your relationships.

## **Types of Empathy**

There are several types of empathy that a person may experience. The three types of empathy are:

**Affective empathy** involves the ability to understand another person's emotions and respond appropriately. Such emotional understanding may

lead to someone feeling concerned for another person's well-being, or it may lead to feelings of personal distress.

**Somatic empathy** involves having a physical reaction in response to what someone else is experiencing. People sometimes physically experience what another person is feeling. When you see someone else feeling embarrassed, for example, you might start to blush or have an upset stomach.

**Cognitive empathy** involves being able to understand another person's mental state and what they might be thinking in response to the situation. This is related to what psychologists refer to as the <u>theory of mind</u> or thinking about what other people are thinking.

### **Empathy vs. Sympathy vs. Compassion**

While sympathy and compassion are related to empathy, there are important differences. <u>Compassion</u> and sympathy are often thought to be more of a passive connection, while empathy generally involves a much more active attempt to understand another person.

## **Uses for Empathy**

Being able to experience empathy has many beneficial uses.

Empathy allows you to build social connections with others. By understanding what people are thinking and feeling, you are able to respond appropriately in social situations. Research has shown that having social connections is important for both physical and psychological well-being.<sup>2</sup>

Empathizing with others helps you learn to regulate your own emotions. Emotional regulation is important in that it allows you to manage what you are feeling, even in times of great stress, without becoming overwhelmed.

**Empathy promotes helping behaviors**. Not only are you more likely to engage in helpful behaviors when you feel empathy for other people, but other people are also more likely to help you when they experience empathy.

## **Potential Pitfalls of Empathy**

Having a great deal of empathy makes you concerned for the well-being and happiness of others. It also means, however, that you can sometimes get overwhelmed, <u>burned out</u>, or even overstimulated from always thinking about other people's emotions. This can lead to empathy fatigue.

Empathy fatigue refers to the exhaustion you might feel both emotionally and physically after repeatedly being exposed to stressful or <u>traumatic events</u>. You might also feel numb or powerless, isolate yourself, and have a lack of energy.

Empathy fatigue is a concern in certain situations, such as when <u>acting as a caregiver</u>. Studies also show that if healthcare workers can't balance their feelings of empathy (affective empathy, in particular), it can result in compassion fatigue as well.

Other research has linked higher levels of empathy with a tendency toward emotional negativity, potentially increasing your risk of empathic distress. It can even affect your judgment, causing you to go against your morals based on the empathy you feel for someone else.

## **Impact of Empathy**

Your ability to experience empathy can impact your relationships. Studies involving siblings have found that when empathy is high, siblings have <u>less</u> conflict and more warmth toward each other. In romantic relationships, having empathy increases your ability to extend <u>forgiveness</u>.

Not everyone experiences empathy in every situation. Some people may be more naturally empathetic in general, but people also tend to feel more empathetic toward some people and less so toward others. Some of the factors that play a role in this tendency include:

How you perceive the other person How you <u>attribute</u> the other individual's behaviors What you blame for the other person's predicament Your past experiences and expectations

Research has found that there are gender differences in the experience and expression of empathy, although these findings are somewhat mixed. Women score higher on empathy tests, and studies suggest that women tend to feel more cognitive empathy than men.

At the most basic level, there appear to be two main factors that contribute to the ability to experience empathy: genetics and socialization. Essentially, it boils down to the age-old relative contributions of nature and nurture.

Parents pass down genes that contribute to overall personality, including the propensity toward sympathy, empathy, and compassion. On the other hand, people are also socialized by their parents, peers, communities, and society. How people treat others, as well as how they feel about others, is often a reflection of the beliefs and values that were instilled at a very young age.

## **Barriers to Empathy**

Some people lack empathy and, therefore, aren't able to understand what another person may be experiencing or feeling. This can result in behaviors that seem uncaring or sometimes even hurtful. For instance, people with low affective empathy have higher rates of cyberbullying.

A lack of empathy is also one of the defining characteristics of narcissistic personality disorder. Though, it is unclear whether this is due to a person with this disorder having no empathy at all or having more of a dysfunctional response to others.

A few reasons why people sometimes lack empathy include cognitive biases, dehumanization, and victim-blaming.

### **Cognitive Biases**

Sometimes the way people perceive the world around them is influenced by <u>cognitive biases</u>. For example, people often attribute other people's failures to internal characteristics, while blaming their own shortcomings on external factors.

These biases can make it difficult to see all the factors that contribute to a situation. They also make it less likely that people will be able to see a situation from the perspective of another.

### **Dehumanization**

Many also fall victim to the trap of thinking that people who are different from them don't feel and behave the same as they do. This is particularly common in cases when other people are physically distant.

For example, when they watch reports of a disaster or conflict in a foreign land, people might be less likely to feel empathy if they think that those who are suffering are fundamentally different from themselves.

### **Victim Blaming**

Sometimes, when another person has suffered a terrible experience, people make the mistake of <u>blaming the victim</u> for their circumstances. This is the reason that victims of crimes are often asked what they might have done differently to prevent the crime.

This tendency stems from the need to believe that the world is a fair and just place. It is the desire to believe that people get what they deserve and deserve what they get—and it can fool you into thinking that such terrible things could never happen to you.

## **Causes of Empathy**

Human beings are certainly capable of selfish, even cruel, behavior. A quick scan of the news quickly reveals numerous unkind, selfish, and heinous actions. The question, then, is why don't we all engage in such self-serving behavior all the time? What is it that causes us to feel another's pain and <u>respond with kindness</u>?

The term empathy was first introduced in 1909 by psychologist <u>Edward B.</u> <u>Titchener</u> as a translation of the German term *einfühlung* (meaning "feeling into"). Several different theories have been proposed to explain empathy.

## **Neuroscientific Explanations**

Studies have shown that specific <u>areas of the brain</u> play a role in how empathy is experienced. More recent approaches focus on the cognitive and neurological processes that lie behind empathy. Researchers have found that different regions of the brain play an important role in empathy, including the anterior cingulate cortex and the anterior insula.

Research suggests that there are important neurobiological components to the experience of empathy. The activation of mirror neurons in the brain plays a part in the ability to mirror and mimic the emotional responses that people would feel if they were in similar situations.

Functional MRI research also indicates that an area of the brain known as the inferior frontal gyrus (IFG) plays a critical role in the experience of empathy. <sup>12</sup> Studies have found that people who have damage to this area of the brain often have difficulty recognizing emotions conveyed through <u>facial expressions</u>. <sup>13</sup>

## **Emotional Explanations**

Some of the earliest explorations into the topic of empathy centered on how feeling what others feel allows people to have a variety of emotional experiences. The philosopher Adam Smith suggested that it allows us to experience things that we might never otherwise be able to fully feel.

This can involve feeling empathy for both real people and imaginary characters. Experiencing empathy for fictional characters, for example, allows people to have a range of emotional experiences that might otherwise be impossible.

### **Prosocial Explanations**

Sociologist Herbert Spencer proposed that empathy served an adaptive function and aided in the survival of the species. Empathy leads to helping behavior, which benefits social relationships. Humans are naturally social creatures. Things that aid in our relationships with other people benefit us as well.

When people experience empathy, they are more likely to engage in prosocial behaviors that benefit other people. Things such as altruism and heroism are also connected to feeling empathy for others.

## **Tips for Practicing Empathy**

Fortunately, empathy is a skill that you can learn and strengthen. If you would like to build your empathy skills, there are a few things that you can do:

Work on listening to people without interrupting
Pay attention to body language and other types of nonverbal
communication

Try to understand people, even when you don't agree with them Ask people questions to learn more about them and their lives Imagine yourself in another person's shoes

Strengthen your connection with others to learn more about how they feel Seek to identify biases you may have and how they affect your empathy for others

Look for ways in which you are similar to others versus focusing on differences

Be willing to be vulnerable, opening up about how you feel Engage in new experiences, giving you better insight into how others in that situation may feel

Get involved in organizations that push for social change

## **Empathy at Work**

## **Developing Skills to Understand Other People**

Empathy is like a universal solvent. Any problem immersed in empathy becomes soluble. – Simon Baron-Cohen, British clinical psychologist, and professor of developmental psychopathology, University of Cambridge.

Understanding other people's emotions is a key skill in the workplace. It can enable us to resolve conflicts, to build more productive teams, and to improve our relationships with co-workers, clients and customers.

But, while most of us are confident about learning new technical skills, we may feel ill-equipped to develop our interpersonal skills. And many people are self-conscious about discussing their own feelings, never mind anyone else's!

Are you able to see things from someone else's point of view?

In this article, we explore what it really means to show empathy. We'll look at how a few simple actions can help us to create stronger connections, to build a

culture of honesty and openness, and to make a real difference to the emotional well-being, and productivity, of our colleagues.

## What Is Empathy?

In its simplest form, empathy is the ability to recognize emotions in others, and to understand other people's perspectives on a situation. At its most developed, empathy enables you to use that insight to improve someone else's mood and to support them through challenging situations.

Empathy is often confused with sympathy, but they are not the same thing. Sympathy is a feeling of concern for someone, and a sense that they could be happier. Unlike empathy, sympathy doesn't involve shared perspective or emotions.

You can feel sympathy for someone you see in tears in the street, for example, without knowing anything about their situation. Sympathy may develop into empathy, but doesn't necessarily do so.

According to influential psychologist Daniel Goleman, empathy is one of the five key components of **emotional intelligence** – a vital leadership skill. It develops through three stages: cognitive empathy, emotional empathy and compassionate empathy. We discuss each stage in turn, below.

## **Cognitive Empathy**

Cognitive empathy is the ability to understand what another person might be thinking or feeling. It need not involve any emotional engagement by the observer.

Managers may find cognitive empathy useful in understanding how their team members are feeling, and therefore what style of leadership would get the best from them today. Similarly, sales executives can use it to gauge the mood of a customer, helping them to choose the most effective tone for a conversation.

Cognitive empathy is a mostly rational, intellectual, and emotionally neutral ability. This means that some people use it for negative purposes. For example, those with **a Machiavellian personality trait** may use cognitive empathy to manipulate people who are emotionally vulnerable.

## **Emotional Empathy**

Emotional empathy is the ability to share the feelings of another person, and so to understand that person on a deeper level. It's sometimes called "affective empathy" because it affects or changes you. It's not just a matter of knowing how someone feels, but of **creating genuine rapport** with them.

For some of us, this kind of empathy can be overwhelming. People with strong empathic tendencies can become immersed in other people's problems or pain, sometimes damaging their own emotional well-being. This is particularly true if they don't feel able to resolve the situation.

You can avoid this kind of emotional **generosity burnout** by taking breaks, checking your **boundaries**, and strengthening your ability to cope in such a **demanding role**.

Anyone leading a team will benefit from developing at least some emotional empathy. It helps to build trust between managers and team members, and to develop honesty and openness. But empathy is most valuable when it's **combined with action**.

## **Compassionate Empathy**

Compassionate empathy is the most active form of empathy. It involves not only having concern for another person, and sharing their emotional pain, but also taking practical steps to reduce it.

For example, imagine that one of your team members is upset and angry because he or she delivered an important presentation badly. Acknowledging their hurt is valuable, and affirming their reaction by showing signs of those feelings yourself even more so. But best of all is putting aside some time for them, and offering practical support or guidance on getting through the situation and preparing for next time.

## How to Develop Empathy at Work

You may struggle to show empathy initially – you could be nervous about committing yourself emotionally, or feel unable to do so. But this doesn't mean that you're doomed to fail!

To use empathy effectively, you need to put aside your own viewpoint and see things from the other person's perspective. Then, you can recognize behavior that appears at first sight to be over emotional, stubborn, or unreasonable as simply a reaction based on a person's prior knowledge and experiences.

Practice the following techniques frequently so that they start to become second nature.

### **Give Your Full Attention**

Listen carefully to what someone is trying to tell you. Use your ears, eyes and "gut instincts" to understand the entire message that they're communicating.

Start with listening out for the key words and phrases that they use, particularly if they use them repeatedly. Then think about **how** as well as **what** they're saying. What's their tone or **body language** telling you? Are they angry, ashamed or scared, for example?

Take this a stage further by **listening empathically**. Avoid asking direct questions, arguing with what is being said, or disputing facts at this stage. And be flexible – prepare for the conversation to change direction as the other person's thoughts and feelings also change.

### **Consider Other People's Perspectives**

You're likely familiar with the saying, "Before you criticize someone, walk a mile in their shoes." Examine your own attitude, and keep an open mind. Placing too much emphasis on your own assumptions and beliefs doesn't leave much space for empathy!

Once you "see" why others believe what they believe, you can acknowledge it. This doesn't mean you have to agree with it, but this is not the time for a debate. Instead, be sure to show respect and to keep listening.

When in doubt, invite the person to describe their position some more, and ask how **they** think they might resolve the issue. **Asking the right questions** is probably the simplest and most direct way to understand the other person.

### **Take Action**

There's no one "right way" to demonstrate your compassionate empathy. It will depend on the situation, the individual, and their dominant emotion at the time. Remember, empathy is not about what you want, but what the other person wants and needs, so any action you take or suggest must benefit them.

For example, you might have a team member who's unable to focus on their work because of a problem at home. It may seem the kind thing to do to tell them they can work from home until the situation is resolved, but work may in fact give them a welcome respite from thinking about something painful. So ask them which approach **they** would prefer.

And remember that empathy is not just for crises! Seeing the world from a variety of perspectives is a great talent – and it's one that you can use all of the time, in any situation. And random acts of kindness brighten anyone's day.

For example, you likely smile and take the trouble to remember people's names: that's empathy in action. Giving people your full attention in meetings, being curious about their lives and interests, and offering constructive feedback are all empathic behaviors, too.

Practice these skills often. When you take an interest in what others think, feel and experience, you'll develop a reputation for being caring, trustworthy and approachable - and be a great asset to your team and your organization.

## **Key Points**

Empathy is the ability to recognize emotions and to share perspectives with other people. It's one of the five key components of emotional intelligence, and it helps to build trust and strengthen relationships.

There are three stages of empathy:

- Cognitive empathy is being aware of the emotional state of another person.
- Emotional empathy is engaging with and sharing those emotions.
- Compassionate empathy involves taking action to support other people.

To use empathy effectively, give your co-worker your full attention, looking out for verbal and nonverbal clues to help you fully understand their situation. Set aside your own assumptions, acknowledge your colleague's feelings, allow an emotional connection, then take positive action that will improve their well-being.

## What Is Compassion and How Can It Improve My Life?

The definition of compassion is the ability to understand the emotional state of another person or oneself. Often confused with empathy, compassion has the added element of having a desire to alleviate or reduce the suffering of another. Empathy, as most people know, is the ability to put oneself in the other person's place. Although compassion and empathy are two separate things, having compassion can lead to feeling empathy.

Although the above is the accepted definition of compassion, I believe that having compassion for someone involves more than putting yourself in their place and genuinely wanting to understand or even help them. It involves beginning to have a totally different perspective when it comes to how you perceive others.

For example, instead of assuming that the reason someone has done something that hurts you is because they are selfish or inconsiderate, assume instead that they had a good reason for doing it. This idea, based on Marshall Rosenberg's philosophy, can be difficult to buy into at first. But when you think about it, don't you usually have a good reason when you do something, even if what you did may seem inconsiderate to someone else?

Let's say you are very worried about your child's health. You took her to the doctor and he decided to take tests in order to rule out a serious disease. Later that day you were walking down the street, preoccupied with your daughter. An acquaintance passed you and said hello. You said hello in return but because you were so deep in thought, you didn't stop to chat. Later on, you find out that the acquaintance felt insulted because you "snubbed" her. Even though it was not your intention to snub this person, and you had a very good reason for your behavior, the acquaintance assumed the worst.

Unfortunately, this is what most of us do. We assume the worst. Learning to have more compassion involves making the radical shift to assume the best in others. If the acquaintance had assumed the best, she would have concluded that

# The Importance Of Compassion In The Workplace

Resonant relationships require people to know each other, and more than just knowing what is in their hearts and minds. To be resonant with others, you have to be in tune with them. This requires something deeper than having a mental model or an intellectual insight into another person. Being in tune with others involves caring about them—and that is what invokes compassion. You feel curiosity, respect, and real empathy. Being in touch with others and feeling compassion has other benefits: it arouses Renewal. So, compassion is a key to Renewal, and a key to unlocking the chains of the Sacrifice Syndrome.

### **Compassion Is Empathy In Action**

Compassion is empathy and caring in action. Being open to others enables us to face tough times with creativity and resilience. Empathy enables us to connect with people. It helps us get things done, and to deal with power stress and the sacrifices inherent in leadership.

In order to be empathic, we must begin with curiosity about other people and their experiences. Most people are born with curiosity—we only have to look at the bright eyes of a healthy four year old to see it in its pure form. At that age, the world is a miraculous place full of mysteries to explore. Sadly, as we age we often lose the ability to see things—and people—through a clear lens. We end up seeing the world through a filter of our own beliefs. Much miscommunication happens because people's ability to take in information from each other is seriously curtailed by their prejudgments. Carried to the extreme, a relationship can be ruled by prejudices and stereotypes, with very little real information passing between people, never mind actual connection and understanding.

## **Overcoming Prejudgments**

It is impossible to be free of all prejudgment—we simply could not live in the world without some assumptions. However, effective leaders are able to suspend automatic judgment, and can work to understand other people without filters. Effective leaders care enough to want to learn about other people, to feel

what they feel and see the world the way they do. And then they do something with it.

We define compassion as having three components:

- 1. Understanding and empathy for others' feelings and experiences
- 2. Caring for others
- 3. Willingness to act on those feelings of care and empathy

When compassion is experienced, a person does not assume or expect reciprocity or an equal exchange. Compassion means giving selflessly. This goes beyond the common definition of compassion in the West and within Buddhist philosophy; both traditions tend to link compassion with empathy and caring for others who are in pain. We believe compassion incorporates the desire to reach out and help others whether or not their condition is based on suffering and pain. Our definition of compassion, then, is closer to that of Confucian philosophy: compassion is the emotional expression of the virtue of benevolence.

## **Empathy Versus Sympathy**

People often confuse sympathy, that is, feeling sorry for someone, with caring about someone and feeling compassion. Some of this confusion is the fault of the field of psychology and a limited view of what has been called "need for affiliation." For decades, wanting to be close to others was viewed as trying to fill a deficiency, or need. Freud and others fueled this perspective. Even today, some of the widely used measures of this motivation look at how people are more likely to attempt to avoid rejection rather than to act on their non-anxious desire and enjoyment of being close with others. This view of relationships is based on a deficiency model – and assumes that a need for affiliation is really just filling a gap in a person's desires. At a deeper level, the model assumes that a desire for closeness is based on the fears or anxiety of being rejected.

## What Drives Human Relationships?

So people aroused by a need for affiliation look for evidence that their loved ones or close friends really care about them. They value proof such as frequent declarations of affection, frequent calls, visits, chances to spend time together, and even some degree of exclusivity. For example, wanting to know you are someone's best friend might be seen as evidence that the person is less likely to reject you.

At the opposite end of the spectrum lies what we consider to be a more positive, non-anxious form of intimacy or desire to be close to others. It is not based on reciprocity or the need for declarations of any kind, and does not require proof of affection. Rather, we are looking at the drive for relationship and regard from a glass half-full perspective: our desire for contact and intimacy are natural and we derive great satisfaction and pleasure from compassionate relationships. From this perspective, we simply enjoy being with certain other people. When we come together, it is as if we have not been apart, even if years have intervened. We can comfortably pick up the relationship where we left off and not feel as if something was missing. It is this form of the affiliation drive that is the basis for the experience of compassion.

So compassion is empathy in action. It is based on a wholesome desire to connect with others and to meet their needs. The best way to understand what compassion is, however, is to see how it actually leads, in practice, to the renewal of both leaders and those around them, and ultimately to sustainable resonance and results.

# Talking Without Words: How Subtly and Observation Can Benefit Leaders

Our subtle emotional and physiological responses are an important source of data, and at any given moment we are communicating a vast amount of information to one another about how we feel. Through infinitesimal changes in musculature and then facial expressions, we signal to others our true emotions, giving them clues about how to respond to us.

This communication is critical in facilitating social interaction. Paul Ekman, formerly a Professor of Psychology at the University of California San Francisco, has studied people's emotions and facial expressions all over the world. He concludes that by attending carefully (we would say mindfully) to others we effectively minimize distortion. Rather than understanding people's experiences through our filters, we see their feelings more clearly and we can more accurately interpret their thoughts and perspectives. When we do this, we

are better able to relate to people because we are more in tune with their experience.

Leaders who read their world this way can more easily avoid uninformed, bad decisions and have a much better chance of successfully joining the dance and influencing complex group and organizational dynamics.

## **The Importance Of Being Present**

Robert Polet understands this truth. When he accepted his new job as President and CEO of the Gucci Group, he turned his commitment to mindfulness into a powerful intervention. One month after joining the company, he scheduled visits to nearly half of Gucci's stores and offices, personally visiting more than 2,500 people in a little less than four weeks' time. Simply by showing up, listening, sharing food and good conversation, he was able to convey who he was as a leader, thereby dealing with the natural anxiety people feel as a result of a major leadership change. Equally as important, he took the opportunity to really watch individuals and groups—noting the level of self confidence, genuineness, whether people were, in his own words, "natural or acting", and the degree to which they "own" the business and approach it with passion.

The outcome of this kind of scanning are at once obvious and subtle. Surely Robert's people now know he will be a 'hands on' leader, deeply interested in their experience and the day to day reality of the business. Many of them also know him as a person. He is no longer the faceless, maybe scary, new CEO. They have shared food and conversation and laughter, and have seen that he is a real person who cares about them, and who wants to discuss their ideas about the business.

### The Power of Observation

On a more subtle level, Robert quickly gained a sense of the emotional reality of his organization, and the differences among the brand groups and across regions. He watched how people responded to leadership (his own and local managers') and saw how best to use power effectively as he began to make some changes. Reading the environment like this enabled him to make early, and sometimes surprising decisions about people. In fact, he found some of the best people in unlikely places and jobs and was able to rapidly involve them in his new organization. Surely an organization chart would never have afforded

him this highly accurate picture of who was who and what they could really do. Robert also gained a sense of collective values and history that are rooted in his observations, not just in what he has been told by those who hired him. He has seen cultural norms in action, and is better able to adjust his own behavior quickly, to get in. He is now more likely to be able to avoid the cultural and relational landmines that exist in any organization. And, he is also more likely to capitalize on individuals' and teams' strengths, and has found allies in unexpected places.

As Robert knows, watching the emotional dance between and among people gives you an edge. It gives you clues about what you are up against, and how to manage a situation. You can more easily decide when and how you interact to influence and guide people. This is equally true when we look at groups and cultures. Although more abstract, and therefore harder to see and understand, these larger manifestations of the human system also dance: groups rely on other groups for information, decisions, actions; cultures come together in harmony or clash inside organizations, as well as across geographic regions and the boundaries of belief.

## **Observation - A Critical Leadership Skill**

Leaders know observation skills are critically important to success – in any dimension. They work hard to develop their own, and to identify and develop the skill in their people.

Leaders rely heavily on the observations of others to test their own impressions, and to add to their body of knowledge about whatever issue is on the table. Observation is learning on the fly – it's not something you sit down to do. And every experience adds to your body of knowledge, leaving you a top asset to your organization, your industry, your family, and yourself.

At the same time that it is such a valuable skill, it's amazing how little value is attached to it by many, many managers. Again and again you'll see people leave a meeting with the statement that it was a waste of their time. When pressed, they will state that they learned nothing, or the meeting was inconclusive, or they weren't the right person the be there, or they felt muzzled.

A suggestion: the next time you find yourself in a meeting where you feel it's a waste of your time, promise yourself that you will take from that meeting at least 3 items of information – perceptions, opinions, facts, observed behavior,

that can be of help in your work. Then apply those elements to your relationships. It works — most people don't do it. Most people don't become effective leaders. In the case of most people, they don't even know observation is a highly prized skill. If you want to be in the top ten percent of whatever you do, work consciously and hard on the development of your observation skills. It will pay off — I guarantee it.

If you want to be world class in anything, you gotta develop the skill of observation – seeing the world around you and seeing it every day, in every way, and make observing a habit of thought. The price of success is stepping out – observing the world in all its variety, learning from it, and taking that accumulation of inputs and putting them to use in decision making – in improving intuition – in building relationships.

Ten behaviors and habits of thought critical for developing accurate observation skills:

- Sizing up people people watching
- Clarity seeing the world as it is
- Curiosity asking why
- Listening skills
- Willingness to set aside personal biases
- Willingness to seek the inputs of others
- Seeking out new experiences and possibilities
- Being comfortable with ambiguity
- Knowledge of the behaviors and attitudes of people
- Self knowledge accurately knowing your own behaviors, attitudes and personal skills, and how they impact others

It's easy to get so focused on our own job that we really don't see the forest for the trees, even if we're invited to the highest ranger station in that particular forest.

### A personal story:

I was hiking in the Phoenix Mountain Preserve and coming down a steep, rocky, narrow path. Approaching me from below was a young woman, baseball cap pulled down over her eyes, dark sunglasses, hydration backpack, and earphones.

I stepped aside to let her pass – hikers ascending have right of way – I said "Hello," and she went past me – within inches of touching me – without acknowledging me! Wow – two people, close enough to touch, no one else around, and not so much as a nod.

Just what does this have to do with observation skills? A lot. This hiker was so into her own zone that nothing around her could enter her consciousness. The birds singing, the green of spring, the warning rattle of a rattlesnake, the crunch of boots overtaking her, the beautiful blue sky – none of it could penetrate her "zone." I see that a lot. Mountain bikers, hikers, runners – all intent on their journey – oblivious to their surroundings except for what is right in front of them – and in danger of missing all kinds of messages. Observation? Other than their own heart rate, miles covered, calories burned, goals met, time elapsed, mountains climbed, Gatorade consumed, how they feel – they could be in a dark tunnel. Too bad for them – they miss all kinds of critical inputs that could help them grow and develop and enjoy the process of gaining physical fitness.

To the extent that we close ourselves off from the unfamiliar; from things that would challenge us; from things that make us think; from things that disagree with our beliefs; from things that can stimulate our senses, we create our own little cocoon – that safe place where we can exist unaffected by all the stuff that swirls around us. Some people call it focus – I think not.

A suggestion. We all need to gain or regain our sense of wonder about new things. Take a different route to work, buy a different newspaper, listen to a different news show, take a run over unfamiliar territory, hike in the woods or mountains – without your IPod, try a different routine at the gym, eat a meal you have never had before. And observe through all your senses. Gaining observation skills is an active, exciting process. It's best accomplished by sensing – as if for the first time – the world around you, and then seeing more than you saw the last time.

Try it – today. Become an active observer of life – and gain greater success – in whatever way you define success.

### The Power of Observation



"Chance favors a prepared mind." The quote from Louis Pasteur is well known, but it is incomplete. The full thought is Where observation is concerned, chance favors the prepared mind. While the first statement is helpful, the full statement makes the power of observation far clearer. When we use the power of observation intentionally and effectively, we can learn and lead far more effectively.

The question is, how do I use this power? How can I become more observant?

I have six steps you can take to become more observant, to help you gain, find, and grasp the opportunities that swirl around us every day.

### Be Open

Before observations can be made, we must be open to receive them. This starts with a positive belief that there are things we can learn and learn from all around us. As a young man, a mentor told me, "I believe I can learn something from everyone." With that belief, he was ready to observe something helpful. When we start with this belief, we have a chance; if we don't, the odds that the rest of these ideas will work go way down.

### **Be Intentional**

We never know what we might observe and learn. Yet, by being open, we are preparing for the learning possibilities. But we must also be intentional. Know what your learning goals and questions are, and be intentional in finding

what you are looking for. For example, if you are wanting to be a better coach, what are you seeing in the world around you that can help you be a better coach? Or avoid mistakes? If you are intentional about looking, you will find the lessons you seek.

### **Be Looking**

Once you are mentally ready, you must be looking. This means paying attention; keeping your eyes open and noticing what others do and say and how they respond to you and others. But while the word "observation" implies vision, there is more to it than that . . .

### **Be Multi-sensory**

To be fully observant means using more than just our eyes. We can observe with our ears and with our hearts; and depending on what you are wanting to learn, perhaps your nose and your fingers. True observation is a multi-sensory experience. What did someone say, but also how they looked and how they sounded plays a part in a message, doesn't it? Think 360° and multi-sensory to get the most power and nuance from an experience. That allows for deeper understanding and greater insights from any situation.

#### **Be Still**

It is hard to be observant when you are in your own head, or with your nose buried in a phone or laptop. To observe requires us to stop, to look, to listen, and to be grateful for the experiences around us. Without stillness, much of the power of observation will be removed. You will miss much, and only skim the surface of some other things you do observe.

### **Be Aware of Your Filters**

While we must be intentional and be looking for the ideas we need, we must be aware of our filter, because if the filter is wrong, we will miss or misread what we are seeing. If you have a filter on a water supply, the pore size of the filter medium will determine what will get through, and what will not. Similarly, we have filters in our brains based on past experience, beliefs, habits, and more. Often, we need to change our filter to let more through for us to find the lessons we most need for growth, learning, and change.

## Why for Leaders?

Observation is a powerful tool for learning for all of us; but as a leader, it is perhaps even more important. As a leader, we need to be aware of how individual team members are doing and their level of energy and engagement. We must also monitor the dynamics of the team and more. Just one simple example is to observe how people behave and communicate — if we make those consistent observations and have a model to compare to, we can communicate and build greater trust with the wide variety of individuals we lead (If you are looking for such a model, consider starting with our free DISC assessment). We can't do all of this with a dashboard or numbers, we must be looking, noticing, asking, and being aware to spot trends, learn more, and lead more effectively.

## What is Mindfulness in the Workplace?

Put very simply, workplace mindfulness is the degree to which individuals are mindful in their work setting (Dane & Brummel, 2013). What, then, does it mean to be mindful? Well, like so many constructs in positive psychology, mindfulness is not easily defined.

However, most definitions, such as the one described by Hyland, Lee and Mills (2015) share three elements.

Mindfulness can be described as a 'present-focused consciousness' (Hyland, Lee & Mills, 2015). In other words, a mindful individual is not ruminating about the past or worrying about the future; they are simply "being" in the here and now.

Secondly, mindfulness includes paying close attention to both internal and external stimuli (Hyland et al., 2015). Finally, as well as simply paying attention to stimuli, mindfulness involves doing this in an open and accepting way (Hyland et al., 2015). To summarise, a definition from Brown, Ryan and Creswell (2007): mindfulness is

"a receptive attention to and awareness of present moment events and experiences" (Brown et al., 2007: 212).

Mindfulness involves noticing what is happening without evaluating, analyzing or reflecting upon it – it is therefore said that <u>mindful information processing</u> is 'pre-conceptual' (Hülsheger, Alberts, Feinholdt & Lang, 2013).

Thus, a mindful employee will take in what is happening in the workplace and not react to it, rather, simply taking in information from their surrounds. They will non-judgmentally approach their work and their relations with other colleagues and management.

Although the majority of research into individual differences in mindfulness see it as a <u>trait</u>, many researchers now consider mindfulness to be a psychological state that varies from moment-to-moment within individuals (Hülsheger et al., 2013).

Furthermore, mindfulness has been described as a natural human capacity, which varies in regard to strength across both situations and persons (Hülsheger et al., 2013). What does this look like in the workplace?

Well, it means that throughout the working day, at any one time, employees' mindfulness is variable; they may be closely paying attention, non-judgmentally, in a meeting – focused on whatever the presenter is talking about. Or, perhaps, later in the day they are less mindful and are sitting staring at the computer wondering what to cook for dinner.

So, the person has the capacity to be mindful, however their mindfulness at any one time is variable.

## Benefits of Mindfulness in the Workplace and Business

Mindfulness has a multitude of benefits for workplaces and businesses.

Speaking very generally, there are some mindfulness-based processes that are thought to affect employee performance and wellbeing.

These include response flexibility, decreased rumination, empathy, affect regulations, increased <u>self-determination</u> and persistence, improved working memory and more accurate affective forecasting (Glomb, Duffy, Bono, & Yang, 2012).

<u>Benefits of mindfulness</u> in the workplace also include improvements in task commitment, and enjoyment of work (Hyland et al., 2015). Let's have a look at some of the work-related benefits of mindfulness in some more detail...

### Improved social relationships

Mindfulness results in improved social relationships (Glomb et al., 2012). Positive workplace relationships can have a significant impact. They buffer the effects of workplace stressors, promote thriving in employees, and foster communication, creativity and citizenship behaviors (Glomb et al., 2012).

Glomb et al. (2012) suggest that mindfulness promotes positive social connections in the workplace through a number of integral mindfulness processes, but most especially empathy and response flexibility.

Employees who practice being mindful are therefore more likely to show greater acceptance of colleagues without reactivity (Glomb et al., 2012). Optimal functioning of organizations is, in many ways, dependent upon positive interpersonal relationships.

Given that some studies have suggested that training in mindfulness may be linked to social connectedness, this highlights the important role that mindfulness may play in workplace relationships and the success of the organization (Glomb et al., 2012).

#### Mindfulness and resilience

A benefit of mindfulness in the workplace is that it promotes resiliency. Glomb and colleagues (2012) nominate two processes associated with mindfulness as being likely to foster <u>resilience</u>: affective regulation and persistence.

Mindfulness helps individuals to approach others positively and, in addition, it protects them from the negative emotions and agitation of another person by regulating affect appropriately and decreasing reactivity (Glomb et al., 2012).

In the workplace, resiliency is at the face of interpersonal or task-related stressors, and is also a vital part of optimal work functioning.

## **Enhanced task performance**

Mindfulness also improves task performance.

The way that mindfulness is implicated in <u>workplace performance</u> is dependent on the nature of the task, and the contextual factors of the work... some mindfulness processes will beneficially affect a variety of types of job, whereas others are more specific (for example, for jobs with a lot of emotional content, decreased rumination and improved affective regulation may hold the key to performance) (Glomb et al., 2012).

It has also been found that mindfulness is associated with fewer cognitive failures (such as forgetting, distraction and blunders) – which suggests that mindfulness may therefore lead to improved workplace performance and fewer accidents (Glomb et al., 2012).

### **Improved intuition**

Mindfulness also promotes an awareness of 'gut feelings' and it has been suggested that tapping into these intuitions may facilitate improved task performance when the level of expertise is high (Glomb et al., 2012).

Furthermore, mindfulness is also thought to promote better decision making, with <u>decision biases</u> being less likely due to attention to internal and external stimuli, and reduced heuristic processing.

As you can see, the benefits of mindfulness in the workplace are many and varied.

## Why is it Important?

Mindfulness in the workplace is important for a wide range of reasons. The first relates to how satisfied an employee is in their job – which clearly has implications for their wellbeing, psychologically, and emotionally.

### Job satisfaction and motivation

Affective events theory has been applied to mindfulness in the workplace by suggesting that mindfulness may be positively related to job satisfaction, because mindfulness facilitates more adaptive appraisals of work stressors (Hülsheger et al., 2013).

In other words, when something challenging happens at work, a mindful employee will not simply react and judge what is happening emotionally, rather

they will consider it with a more adaptive stance. Therefore, by construing the stressor at work with a more proactive approach, the employee will also be more satisfied in their work.

Furthermore, mindfulness may also relate to job satisfaction because it increases self-determined behavior (Hülsheger et al., 2013). <u>Self-determined behavior</u> is behavior that is consistent with an individual's needs and values (Hülsheger et al., 2013).

Mindfulness also promotes awareness of an individual's basic values and needs because it decreases habitual and automatic functioning and brings attention and awareness to experiences in the present moment (Hülsheger et al., 2013). The relationship between mindfulness and job satisfaction will be explored in the next section, where research is considered.

# How to Introduce Mindfulness in the Workplace



Introducing mindfulness in the workplace helps to decrease stress and promote productivity and efficiency among team members (Forbes Coaches Council, 2018).

The first step in introducing mindfulness to the workplace is to be clear about the purpose for introducing mindfulness and also to know the part of the business strategy that will handle it (Mudd, 2017).

The aim may be to introduce it as a wellbeing program.

Or, it may be a part of a shift in the culture of an organization to develop a different leadership style and alternative way for employees to work (Mudd, 2017). It is also important to be clear about what the benefits of mindfulness are, and in particular what your organization will gain.

### The role of leadership

In introducing mindfulness to the workplace, senior management plays an important role. Not only playing a physical role, it is also necessary for managers in the organization to take ownership of the initiative, to discuss it and answer any questions about it (Mudd, 2017).

It is a good idea to implement 'taster' sessions – not everyone finds mindfulness beneficial, and it has been shown that the most productive workplace programs are those in which employees 'opt in' (Mudd, 2017). It is also important for an experienced and skilled practitioner to conduct the mindfulness sessions.

To introduce mindfulness, "recruit internal champions" (Mudd, 2017). In other words, in the introductory phase, these chosen employees can be 'visible', endorse the <u>mindfulness training</u> and encourage their colleagues to take part. These employees may host and reinforce the regular mindfulness sessions after the initial formal training period (Mudd, 2017).

To promote <u>mindfulness practice</u>, encourage staff to take regular breaks including a proper lunch break (Team MyHub, 2018). By completely detaching from work, even if only for 15 minutes, means staff are more able to concentrate and also be more alert and refreshed.

### Be patient

An important aspect to consider when introducing mindfulness is to accept that there is no immediate solution. Mindfulness takes time and a sustained effort,

and scheduling and delivery of formal training also needs to be flexible (Mudd, 2017). As well as formal training, the sessions should be enhanced by simple mindful working practices that can be incorporated into the daily work routine (Mudd, 2017).

One idea for introducing mindfulness in the workplace is to create a designated 'quiet space' (Team MyHub, 2018). As well as giving employees a space in which to meditate, the room also provides employees with a space to refocus without the multitude of distractions in the workplace (emails, phones, office chatter, etc).

The quiet room could have calming photos or images from nature, or even positive images reflecting the mission of the company (Team MyHub, 2018).

To introduce mindfulness in the workplace, it is worthwhile to look at the outcomes the workplace wants from mindfulness, and what is needed for it. Then, before you start implementing the mindfulness, ensure the goals are Specific, Measurable, Achievable, Realistic, and Time-bound – i.e. SMART goals (Mudd, 2017).

It is also a good idea to establish the relevance of mindfulness for the business or organization and to verify the sustainability of the proposed program (Mudd, 2017).

Finally, make sure that the program is feasible in terms of scope and timescale (Mudd, 2017).

## 14 Ways to Encourage Mindfulness at Work

Hopefully from reading through the previous sections, you are now convinced that mindfulness should be encouraged in the workplace. How can this be done? Well, the Forbes Coaches Council (2018) have put forward 14 suggestions of ways to encourage mindfulness in the workplace.

### Here they are:

1. Lead by example – In other words, be what you are asking others to become. Take the time to practice mindfulness yourself at work, and you will encourage others to do so.

- 2. Give people time to dream Cultivating mindfulness and a sense of peace, even through day-dreaming, can lead to ideas that are beneficial and potentially revenue raising.
- 3. Look at your response from another's point of view This involves making sure you are clear, calm and confident when sending an email, making a phone call, or beginning a meeting. Take the perspective of others in workplace interactions into consideration.
- 4. Ask challenging questions Challenge employees to act and think.
- 5. Get up and take a break Step away from the desk. Look away from the computer. Also, let your team see that you take breaks, and they will feel more comfortable in doing so too.
- 6. Teach people how to practice mindfulness This can also raise the overall level of consciousness in the workplace.
- 7. Remember to breathe.
- 8. Notice the little things around you Appreciating seemingly minor events or stimuli is one way to encourage mindfulness.
- 9. Lead with emotional connection Be emotionally present and address emotional blocks to fully understand the reality of others and develop an emotional alliance in order to help people overcome challenged.
- 10. Allow 'gap time' between meetings To encourage mindfulness, put a short break in between scheduled meetings. It only needs to be 5-10 minutes, but the 'gap' will help employees to increase focus, be more productive, and have greater wellbeing.
- 11. Slow down and block "unscheduled" time for yourself As was mentioned previously in this article, slowing down is the best thing to do in order to foster mindfulness.
- 12. Don't be a 'micro manager' Be aware of the fact that stress is a major block to mindfulness, and that micro-management is one of the biggest sources of stress in the workplace.
- 13. Incorporate mindfulness into meetings At the beginning of a meeting, allow a couple of minutes to engage in contemplative practice: meditate, set intentions, and take a few deep breaths.
- 14. Start a conversation about mindfulness.

# Be One, Get One: The Importance Of Mentorship

A remarkable 75% of executives say mentoring has been critical to their career development, according to a survey by the American Society for Training and

Development. I agree, and I have never shied away from asking for help and advice at important decision making junctures in my professional life. Simply put, no matter where you are in your career, you don't need to go it alone. As a mentee, I have benefitted from the deep experience of people who have made a personal investment in me; as a mentor, I have accelerated other people's learning and career growth just by investing time and insight, which has been incredibly gratifying. Furthermore, when I take the time to mentor someone, my company or organization often benefits from this relationship.

You get as much out of mentorship as you put in. That is why I joined the national board of the Spark Program, whose goal is to provide life-changing mentorships to middle schoolers.

### **Building A Mentor Relationship Over Time**

It's invaluable to have a mentor whose journey is complementary to yours and who is personally invested in your success. Mentors should also be willing to be open and honest about their experiences so you can truly learn from them.

Christie Hefner is one of my most cherished mentors, for several reasons. She's brilliant, strategic, civically and politically engaged and extremely knowledgeable about media and business -- not to mention a pioneer of women's rights. When we meet every few months, I share my goals, ask for her input and advice and benefit from her introductions and feedback. I feel fortunate to count her as one of my mentors, not just because she is a great leader, but also because she is always emotionally available and present when we meet.

Another of my favorite mentors and trusted advisors is one of my professors from business school, Joel Peterson. He is currently the chairman of JetBlue and a fellow academic at Stanford's Graduate School of Business, and is known globally for his leadership in communications, ethics and values. Whenever I have faced a fork in the road that involved any one of those areas, he has delivered sound advice. When I am not in a period of acute decision making, I check in every few months to keep him informed about how my career is progressing. Most importantly, I let him know how his advice and perspective have affected my career, as they invariably have for the better.

### **Kickstarting Mentees' Careers**

While I am tremendously grateful for my own mentors, I have found that being a mentor myself can provide great personal satisfaction. When you invest time and energy in someone, you not only change the trajectory of his or her life and career with your experience and wisdom, but your company or organization can reap rewards in the form of improved employee retention and job performance.

In my company, summer interns attend high-level team meetings to see firsthand how C-suite executives interact. I have brought interns to board meetings, where they were able to observe and learn from confidential governance discussions.

One of my most rewarding experiences as a mentor was with a brilliant young man who we hired as an intern at my first company when he was just completing his Yale undergraduate degree. When the summer ended, we extended his internship. Soon after, we made him a full-time offer and, just a few years later, he rose to director of operations. He later joined me for a year as a partner at AJR Ventures before accepting a job at Facebook. I connected him with several opportunities that aligned with his interests along the way, including volunteering on a grassroots political campaign. To this day, I am glad I invested in him, and I admire his ongoing success.

As an executive, I like to invest in talented people by offering them positions a half or full step above what they are expecting. Watching an employee grow into a new role is gratifying, and boosting the person's sense of his or her capabilities often strengthens that person's loyalty to the company. When employees are challenged to learn and grow, they feel that management and mentors are invested in their success.

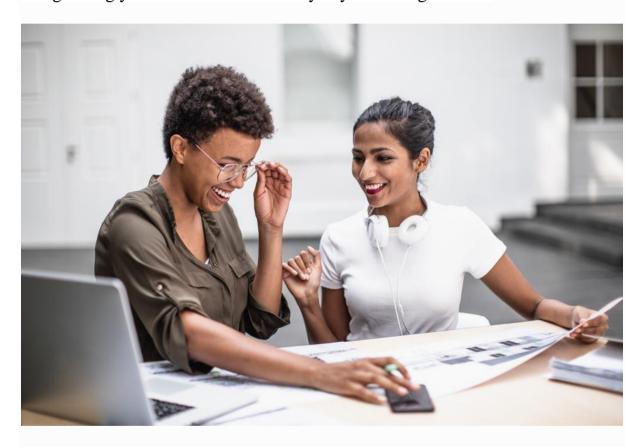
## **Reflecting On The Value Of Mentorship**

Ultimately, Joel's advice helped me decide when to exit a professional opportunity, while Christie's counsel helped me decide to take my current role as CEO. Sometimes it's not so much about specific advice as it is about having a wise and trusted sounding board to think through an opportunity in the context of one's career arc and long-term goals. I credit Joel with inspiring me to examine my value system and how it marries (or does not) with various business colleagues -- I credit Christie with encouraging me to venture into new territory and stretch myself professionally.

No matter where you are in your career, the right mentor can energize you and provide counsel when you need it. And when you mentor others, exposing them to otherwise inaccessible experiences, you can accelerate their careers and help them succeed.

# Why Having (And Being) A Mentor Is Key To Building Your Career

We spend much of our lives building and developing relationships - the ones we're born into, like our families, the ones we forge through shared experiences like our classmates, and the ones that we later choose for ourselves as we grow into our future selves like co-workers. Fulfilling relationships are critical to our happiness, and something that we're inherently designed to do in our personal lives. And our careers are no different - in one's career, building relationships and growing your network is absolutely key to finding success.



I believe that one should approach developing his or her career network in the same way that you might build out a team within your business. Think of your network as your "board of directors," with each person bringing a unique perspective and set of skills and experiences to the table. You want to find and connect with people who can strengthen your own skill set and provide perspective in areas where you may have less experience. There are four types of people you should look for when building out your BOD:

Mentors - Mentors are individuals who can provide guidance and advice to you, often based upon their own experiences in both business and their personal lives. Mentors can come from within your business or from outside of it. There

is a lot of value to finding a mentor within your organization - that individual understands the dynamics of your business, the politics and things of that nature, and can give you actionable feedback that directly relates to your needs. Likewise, there is also value to having the external point of view as well, because those individuals are often able to see the issues in a big picture way, and provide insights based on experiences that may seem totally different at face value, but in fact have underlying similarities that could be helpful.

**Sponsors** - It's also important to not only have mentors but to also have sponsors. Sponsors are people who are really your advocates and will go out of their way to help pave the way for you through making introductions, recommending your for jobs or promotions, etc. A sponsor is someone who talks about you when you're not in the room, and goes to bat for you when the opportunity arises.

Peer Network - A peer network is critical as well, particularly in the world of Corporate Social Responsibility, which is an ever-changing field. Having peers across the globe that care about the same issues that you care about and are invested in the same type of work is extremely beneficial. They can help you better understand best practices, stay on top of industry trends and be in the know about what companies and individuals are doing to innovate in the space. Peers are also a great way to find out about job opportunities, speaking and panel opportunities, industry events, and so many other things. They can also relate to you on personal and professional levels that someone more senior or junior than yourself may not be able to.

Mentees - It is vital to make sure that while you have all of the above, that you also have mentees as well. I believe that you can learn just as much from your mentees as your mentors, and the value of investing in mentees always comes back to you exponentially. Many people may think, "I should be checking my emails and not meeting people for coffee," but I think the exact opposite. While it can be challenging to find time to dedicate to mentoring someone else, you have to pay forward what you get from others. In order to safeguard your time, you need to set boundaries, but always be open to helping others in the same way that you've been helped along the way.

But how does one go about building a network and developing business relationships? There are a number of ways. For one, many companies have mentorship programs that anyone can tap into, which are designed to bring people from various areas of the company together. But in my view (even

though I've run and designed many programs like that over my career), the best relationships are the ones that evolve naturally.

Look for people within your organization (or outside of it) who are doing what you want to be doing, and reach out to them for a quick coffee or meeting near their office. Come with a list of questions that directly relate to the person's experience and what you're really hoping to learn, send a thank-you note afterwards, and stay in touch every now and then to keep the relationship growing. Strike up a conversation with someone at a networking event or a conference, and don't be afraid to follow up with them after the fact. Be open to people who reach out to you for advice and insights. As you invest in others, you'll see an ROI that will greatly enrich both your personal and professional lives.

## 10 Reasons Why Networking Is Essential For Your Career

The importance of the saying "no man is an Island" has been proved to be the reason why many of us need to make a collective effort in the bid to achieve professional success. For many individuals that have succeeded in their career, the causes have largely been contributed to the strong networking channels they have created over time.

But the question of who you network with and their relevance to your career matters more. This way, you don't have to network with everyone. Rather, first study how you can contribute to their success, in addition to how you stand to benefit from their knowledge.

Here are some reasons why networking should be an essential aspect if you truly want to build your career.

#### An avenue to exchange ideas

You never can tell how much you know without listening to other people. Success in a career is largely attributed to the pool of information or ideas you have garnered over the past. When networks have been created, it fosters a trade of ideas to sustain long-term relationships and mutual trust. When you are receiving ideas, it helps both in your place of work and out, in addition to instilling best practices that soothe your career.

#### It makes you noticeable

Individuals that seek publicity either for business, politics or even fame leverage more on networking. People quickly notice others that have stronger capabilities to make them relevant. When you stand out in both your expertise and the services you offer, it creates room for partnership which in turn builds a career. Many professionals have been able to understand how to nurture their networking strength and create more visibility for different associates and clients in their career path.

#### Avenue for newer opportunities

When people start noticing you, it opens the door for newer opportunities. Business and career-minded individuals who have networked over time have been able to expand with minimal effort because of the avenue of newer opportunities opened to them through networking. Opportunities like meeting

the right clients or even meeting people that are superior to your career path could be a stepping stone that could change your life for the better.

#### Reassessing your qualification

Networking is one thing. But to be able to utilise it is another. You might think that your current level in your discipline might be the greatest height you could ever achieve. But have you ever taken an in-depth look at the different levels of your chosen career and how other people with similar positions have attained their present height? But let's be very factual here; admiring certifications is allowed, but the roadmap to that height can be reached if only you have a strong network and a good relationship with others.

#### Improves your creative intellect

Aspirations and great innovations are most times form the external factors around where we find ourselves. The intellectual ability in different careers is significantly improved upon from contacts we have built with other persons over a period. Even a simple interaction with one person can transform a yearlong research work and result in a breakthrough. Likeminded people that have been able to share ideas have strongly developed their intellect to foster growth in their career path and unleash the creative talent in them.

#### An extra resource library

Some websites are built specifically to address different questions under different niches. These avenues can be used by an individual as an extra source of information. The same thing applies to networking. A platform that is designed specifically aligned to your career can be an extra resource library for you. This provides you with updated information on the latest career trends relevant to you. This network resource also grants you access to tap into them whenever the need arises.

#### Support from high profiles individuals

Everybody has one way or the other passed through some hurdles in their career development. This can be as a result of the lack of materials available, or even the lack of financial aid. However, good networking with high profile individuals from the same career path can serve as support whenever there is any eventuality at any time. These high profile individuals can help you manage your challenges effectively by either giving you advice or linking you to the right financial support.

#### **Growth in status**

Developing your career status is a long-term process depending on how you focus on your networking path. Top career individuals that are where they are today is a result of the status they have grown in networking. The contacts you keep are largely attributed to your growth. They largely influence growth in your status and pave the way for better opportunities in your career. Your connections are powerful!

#### **Growth in self-confidence**

Networking is the key tool to growth in a resourceful career. Training and certification garnered from networking builds self-confidence and promotes self-esteem. The self-confidence that has been built over time can help put you on a positive spot whenever you interact with like minds in your career. This also gives you an opportunity to excel well during interview sessions for a job opportunity. So the more effectively you network, the more self-confidence you build over time.

#### **Develop long-lasting relationships**

If networking is a mutual relationship, then having a right networking channel can help build your career. Though networking might not be an easy and fast approach to building a long-lasting relationship. But making it a two-way process of giving and taking and can open the door for a firmer relationship. People that have made networking their sole priority have been able to build careers relevant to their set down goals.

## **Three Types of Professional Networks**

Here is an excellent article and podcast by Hermania Ibarra, INSEAD Professor and thought-leader in the area of professional networks for managers.

I'm not a daily blogger or blog reader and post and read in spurts, so this article is actually from May. So some of you are likely to have already seen it. I picked it up from Valdis Kreb's superb blog.

Here are what I felt are the main points of Hermania's piece:

There are three types of professional networks:

<u>Operational</u> – the people you directly work with to get your job done. Most managers spend a lot of time developing these relationships and neglect the other two types of networks, which are:

<u>Personal Networks</u> – e.g., alumni, professional, social and affinity groups — these allow you to meet a diverse group of like-minded professionals. Good for career moves, and to link you to new kinds of networks for your current work when opportunities emerge there.

<u>Strategic networks</u> -contacts with peers and senior people in your field — toughest but most essential for leaders. Look beyond your industry. Strategic networks are crucial for sharing ideas about best practices, learning new approaches, keeping tabs on developments in business and technology. Helps leaders see the bigger picture.

Managers often fail at networking because many people haven't developed good network-building practices and skills and feel initially that they're wasting time. Also many feel that "networking" = using other people, or making superficial relationships. Not so. Good networking is reciprocal.

# Top 12 benefits of professional networking and how to get started

Active professional networking is vital to <u>career growth</u>. Many shudder



when they hear the term networking, associating it with awkwardness, cheesy events and the idea of 'selling' yourself.

However, despite its off-putting connotations, building networks is essential to forging long-term relationships and establishing a good professional reputation over time. It involves meeting and getting to know people who you can assist, and who can potentially help you in return.

## Why industry networking is important

Networking is an essential craft to master, no matter what industry you work in or your level of experience. Good industry networking has a basis of trust and support – and can mean the difference between a mediocre career and a phenomenal career.

With the right approach, people networking can provide the opportunity to build mutually beneficial relationships with other professionals in your industry. Once you've established a solid professional network, you'll be the first to know about job opportunities in your field and front of mind for anyone in your network who is seeking to hire someone with your skills and experience.

## Who should you include in your professional network?

Having the right contacts in your professional network can help maximise your career growth and learning opportunities. Consider building your industry network with people from the following groups:

- Current and former colleagues
- Classmates/study peers
- Professors/teachers
- Friends or family members in your industry
- Members of relevant industry associations, sporting teams, social and interest-based groups or religious communities
- Peers from digital professional networks such as LinkedIn
- Recruiters who specialise in your field

## **Examples of professional networking**

Networking can include everything from an informal chat at a neighbour's barbecue to attending a specialised industry networking event. In any case, the goal is to open the lines of communication and start building relationships that are relevant to your work and career.

Common examples of professional networking include:

- Joining industry associations or clubs
- Getting involved in networking events, expos, conferences or careers fairs
- Connecting with and reaching out to relevant professionals on LinkedIn
- Meeting recruiters
- Keeping in touch with former colleagues
- Getting to know current colleagues
- Volunteering and participating in community events
- Attending industry meet-ups
- Joining virtual groups and communities

# The biggest benefits of industry networking

Here are 12 reasons why you should consider building work-related networks:

#### 1. Strengthen your network business connections

Networking is about sharing, not taking. It is about forming trust and helping one another toward goals. Regularly engaging with your contacts and finding opportunities to assist them helps to strengthen the relationship. By doing this, you sow the seeds for reciprocal assistance when you need help to achieve your goals.

### 2. Tap into your network for ideas

Your network can be an excellent source of new perspectives and ideas to help you in your role. Exchanging information on challenges, experiences and goals is a key benefit of networking because it allows you to gain new insights that you may not have otherwise thought of.

Far from it being a nuisance, most people love being asked for help – it's flattering and makes them feel useful. If you're struggling with a decision, challenge or new direction, calling up a trusted former colleague, mentor,

teacher or friend to organise a coffee can be beneficial to both of you, as they will in turn think of you when next they have a challenge.

Offering helpful ideas in return is an excellent way to build your reputation as an innovative thinker.

#### 3. Raise your professional profile

Being visible and getting noticed is a benefit of networking that's essential in career building. Regularly attending professional and social events will help make your face known.

Create value for other attendees by listening carefully, following up on conversations, remembering names, and offering your knowledge and expertise.

You can then help to build your reputation as being a knowledgeable, reliable and supportive member of your profession by offering useful information or tips to people who need it.

Raising your profile within professional circles will also help you stand out to recruiters, who are always on the lookout for strong talent and who may be more likely to approach you with offers.

#### 4. Grow your personal brand

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#### 5. Get access to job opportunities

Expanding your contacts can open doors to new opportunities for business, career advancement, <u>personal growth</u>, or simply new knowledge. Actively building networks helps to keep you top of mind when opportunities such as job openings arise and increases your likelihood of receiving introductions to potentially relevant people or even a referral.

Don't forget that many jobs don't even get advertised – particularly as your career advances – so being a recognised part of networks is a key way to gain access to opportunities that you might not have otherwise.

#### 6. Exchange best practice knowledge with your network

Networking is a great opportunity to learn about the business techniques of your peers and stay abreast of the latest industry developments. A wide network of informed, interconnected contacts means broader access to new and valuable information.

The opportunity to gather new information is an often-overlooked benefit of networking, as it's not the most obvious one, but it also offers career progression and development.

It's a good idea to actively ask your contacts about developments and techniques, but also to keep an eye on what kinds of articles your contacts are sharing on LinkedIn – don't forget to comment to let them know that you've appreciated the piece. And don't discount the insights of people from other industries – they may be able to offer new angles you hadn't previously considered.

#### 7. Get career advice and support

Gaining the advice of experienced peers is an important benefit of work-related networks. Discussing common challenges and opportunities opens the door to valuable suggestions and guidance. Offering genuine assistance to your contacts also sets a strong foundation for receiving support in return when you need it.

#### 8. Build your confidence

By continually putting yourself out there and meeting new people, you're effectively stepping outside your comfort zone and building invaluable social skills and self-confidence that you can take with you anywhere. The more you network, the more you'll grow and learn how to make lasting connections.

### 9. Gain a different perspective

It's easy to get caught up in the day-to-day of your professional realm and end up in a rut. By people networking, you can gain insights that only come from viewing a situation with fresh eyes. Asking for opinions from contacts you trust or admire can help you see things in a new light and overcome roadblocks that you might not have known how to circumvent otherwise.

#### 10. Develop long-lasting personal relationships

Of course, the point of networking is to develop and nurture professional relationships, but some of the strongest and most long-standing friendships are borne from work connections. Your networking contacts are probably

like-minded people with similar goals as your own, so it's not unlikely that your professional support network will spill over into your personal friendships.

#### 11. Get an answer to every question

As long as you have a strong network of professional connections, you can be confident that someone within your sphere will be able to answer even your toughest questions. And, if there's no definitive answer, you'll have a solid sounding board to bounce ideas off and put into action step-by-step plans to tackle bigger problems.

#### 12. Find your dream job

Professional networking opens many doors in the form of career advice, lasting relationships and even landing your dream role. You never know who might be hiring for your ideal job, or know someone who is, and the more people you have in your network, the likelier you are to be the first to know when those big job opportunities pop up.

## How to Network Like You Really Mean It

"There is a penchant to meet lots and lots of people," he says. "It's fueled a bit by social media, where we're told we need large numbers of Twitter followers, followers of our blogs, LinkedIn connections and Facebook friends." In fact, he says, there are only a few professions where knowing many, many people in a superficial way can be an advantage. "Maybe if you're promoting a nightclub," he says.

For just about everyone else, he says, it's a different story. After interviewing hundreds of successful executives he found that most could identify 25 or perhaps 30 relationships that had made all the difference to their careers. And they recognized those key relationships right from the start.

That's led Sobel to recommend a different, and likely more effective approach to networking:

#### 1. Figure out who matters most.

This group is what Sobel calls the "critical few." Whether a co-worker, customer, mentor, or someone who's helped you make valuable connections, these are the contacts whose presence in your life is clearly valuable to your career. "If I asked you to make a list of the 20 most important professional contacts in your life right now," he says. "It's those people."

Once you've identified your critical few, make sure to keep regular contact, he advises. "These aren't people you should just send a holiday card to," he says. "You should be talking two or three times a year. You should know what their interests are and follow up with them around those."

#### 2. Pick your next tier.

This group might be 50 to 100 contacts, Sobel says. These are people who have perhaps helped you or have the potential to do so in the future, contacts you may not know well enough to socialize with. "I don't follow up with them with the same intensity," he says. "I make sure I'm sending my monthly newsletter, but I may also send some other things of interest. For instance, when I'm quoted in Inc.com, I may send a link to that."

#### 3. Find easy ways to engage everyone else.

In Sobel's case, "everyone else" is about 10,000 people. He sends them his monthly newsletter, and at the end of the year, also provides an instructional video just for them.

## 4. If you want to connect with someone, find a way to help that person.

It's easy to assume that a wealthy and successful contact already has everything he or she desires and wants nothing from the likes of you. If you're thinking that way, get over it, Sobel advises.

It's always worth the trouble to find out a contact's desires and concerns. The chances are high that you'll be able to find something worthwhile you can offer. At one event, he recalls, he was introduced to a former CEO of Walmart, which he wasn't expecting. Left alone to chat, he soon learned that one of the CEO's family members suffered from a certain medical condition. Sobel's brother is an expert in this condition and was able to suggest some useful articles that he sent on to the Walmart CEO.

#### 5. Be intriguing.

If you want to make a connection with a new contact, especially a very busy one, the quickest way is to arouse that person's curiosity with something unexpected. Sobel saw this demonstrated years ago when a friend of his met with an executive of a large telecommunications company. At the time, reengineering was all the rage and that's what Sobel's friend had come to sell. But the telecom executive cut him off before he began, saying that the company had already engaged a high-profile firm and had its re-engineering well in hand.

Sobel's friend was quiet for a moment and then remarked, "We *used* to do re-engineering."

"The guy got upset," Sobel says with a chuckle. "It's good to get people emotionally engaged." The executive was now very much listening to whatever Sobel's friend had to say.

#### 6. Think people, not positions.

"Everyone reading this knows people who are smart, ambitious, motivated, and interesting," Sobel says. "Some of those people, in eight or 10 years, are going to be influencers. They may even be CEOs."

It's a lot easier to get to know someone and form a connection early in that person's career, he explains. "It's not that easy to break into the inner circle of 50- or 60-year-old executives. It's a lot easier to build up that equity early. So think about who in your network seems to be going places and is really interesting and make a strong connection. Even if they don't become an influencer, it'll be an interesting relationship."

#### 7. Give before you ask.

Recently, Sobel got a lengthy email from a business school classmate. "I hadn't heard from him in 30 years," he says. The email was a request that Sobel invest in a new venture--in fact, the entire business plan was contained in the body of the email. "He did not maintain a relationship with me, and he didn't evoke my curiosity," Sobel notes. "I think he failed in all his attempts to raise money."

Worst of all, the contact had committed the sin of asking for something without giving or offering anything, or even demonstrating any caring for Sobel at all. "Before you ask for something, make sure you've invested in that person," he says.

#### 8. Be generous.

That doesn't mean you should only reach out to contacts or do things for them when you expect something in return. "You can't operate with the thought of reciprocity in mind," Sobel cautions. "If you go around with that mercenary attitude it will show, and people will think you're a self-interested schmuck."

Instead, he says, "You have to have a generous spirit. The greatest networkers I know genuinely like to help others. They're always doing it. And if they ever do need anything, people will fall over themselves to help them."

## 7 tips for networking in the workplace

Did you know that <u>80% of workplace conflicts and problems arise from communication glitches</u>? It's true. You can do your part to prevent workplace conflicts—originating from miscommunication—by developing your <u>soft skills</u>, namely communication skills and networking skills. If you improve your relationships with your colleagues, clients, and supervisors via <u>networking in</u> the workplace, you'll be much less likely to face problems at work.

As a new employee, particularly as a recent grad or intern, it's also important to network with others at work in order to build rapport with the people you rely upon for help and information to perform your job duties well. If you want to succeed, you'll quickly learn that it pays to maintain positive relationships with everyone around you.

Bethany Wallace, Content Manager for College Recruiter, offers seven tips for networking in the workplace in this short video.

#### 1. Know yourself well.

If you can detect when you're having an off day, take steps to prevent taking it out on everyone around you. Stay in your cubicle or office on those days if necessary or take more frequent breaks. Before you begin working, get an extralarge coffee and take some deep breaths or read some positive literature. Look at some funny photos for five minutes. Find a solution that works for you. If you find yourself in a negative place due to personal circumstances, and you're allowing your personal life to affect your work life, talk to your human

resources officer confidentially to see if your company offers wellness benefits, including an Employee Assistance Program (EAP).

In addition, taking a <u>DISC inventory</u> or other personality inventory—ask your career services office about taking these inventories at no cost on your college campus—can help you to learn more about your work style. It might take one hour to take the inventory, but you'll then be armed with information about how you work best, how you prefer to interact with others, and what to avoid when interacting with others. The sooner you learn this information about yourself, the better.

#### 2. Treat others well.

Treat your colleagues and clients well regardless of their level of expertise, pay grade, or how much money they are spending with your company. When networking, your contacts will appreciate being treated with courtesy, kindness, respect, appreciation, and fairness. You'll build a reputation of treating people well, and a great reputation goes a long way in the workplace. If you decide to stay with your present company, you may want to apply for an internal job promotion. If you've been networking with others at work and treating everyone well, your behavior will likely speak just as loudly as your resume, cover letter, and job application. If you decide to leave your company to pursue other job opportunities, you'll be glad you treated others well when potential employers call to check your references and hear about how kind, thoughtful, and positive you were at work every day.

#### 3. Don't be afraid to collaborate and share.

Collaborating and sharing ideas and information in the workplace today is a great way to network with your colleagues and to show them that you want to help, not hinder the growth of the organization or team. Sharing your ideas with others also encourages others to share their ideas, and the workplace becomes a more creative place.

#### 4. Don't do halfalogues.

What's a halfalogue? A halfalogue is when you only participate in half the conversation or dialogue because you're holding your phone, scrolling through a text message or email, and aren't able to fully participate and interact with your colleagues as a result. At work, you have to put down your phone if you want to make good impressions and build positive relationships with your supervisors, colleagues, and clients. It's not just

rude to play on your phone during meetings; it's also important to pay attention when stopping by someone's office casually to say hello.

#### 5. Address people by name.

This is like networking 101. Referring to people by name during conversations or even in emails makes them feel more special, and that's always a good thing. How long does it take to type out, "Bethany?" Maybe one or two seconds. It's worth it to improve your communication skills and reduce the potential for future workplace conflicts.

#### 6. Focus on the solution, not the problem.

Be a positive influence at work. When networking, whether at workplace events or during daily interactions in the workplace, keep conversations "light and polite" and focused on positive topics and on solutions, not problems. It's inevitable at work that you're going to be asked to discuss problems and conflicts during meetings. What's important is that you find a way to discuss problems in a positive light and to focus on taking constructive action.

For example, if you're discussing a challenge you're facing as a new employee tasked with visiting with patients at a clinic, and you have discovered you simply cannot keep up with the volume of paperwork and still provide quality service to the patients face-to-face, you can be honest about the problem yet discuss potential solutions.

"I am really glad we have so many patients coming to the office. I like talking to them and helping them get set up to see the doctor. I'm just feeling overwhelmed by the documents to scan and know I'm getting behind. I think I need more time to scan documents, but I don't want to offer patients a lower level of service either. Do you think I could work on documents for 30 minutes in the morning before I start seeing patients every day? Maybe this would help me to keep it managed."

Presenting a potential solution—even if it's not the solution your employer prefers or selects to implement—suggests that you're not just belly-aching about problems. It also showcases your soft skills, including your <u>critical thinking and problem-solving skills</u>. These are not just great networking skills but are great workplace skills any employer values.

### 7. Interact face-to-face whenever possible.

It's not always an option, but interact face-to-face if you can. Face-to-face communication helps you avoid most communication errors and opportunities for miscommunication because it is <u>channel rich</u>. When you're speaking with someone face-to-face, you're provided with multiple cues that help you interpret meaning: voice tone, spoken word, facial expression, hand gestures, and many more. When you communicate with someone via email or text message, communication is channel lean, meaning you're relying on just one thing—words. Have you ever received a text message from a significant other, and the intended meaning is not the meaning you interpreted? This likely caused some hurt feelings or even a huge fight. The same thing happens in the workplace.

For this reason, it's best to hold meetings face-to-face. If you work remotely, consider hosting meetings virtually via **Zoom** or Skype. If that's not an option, you can conference in by phone. At least you can hear voices rather than simply read words. Simply hammering out emails back and forth gives you the illusion that you're saving time, when in fact, you often waste time because you create confusion which you have to clarify by writing three more emails. Save yourself the hassle—and build better relationships—by talking to people face-to-face when possible. You'll probably find that your networking skills and communication skills will grow, and you'll build great relationships, too.

# Where, how and with whom to network: Professional networking tips



Man is a social animal. So while we enjoy our space, our solitude and time spent with *Me, myself and my tanhai*, it usually doesn't last very long. Simply because we also crave that occasional interaction, the exchange of ideas, and sometimes even passionate disagreements, just to feel alive.

And for decades, technology has aimed to fill up the virtual space between people. What started with rudimentary prototypes of phones, with a pair of tin cans and a thread, has evolved into a pocket friendly all encompassing smart phone which connects us to people anywhere, at the tip of our fingers.

This social nature makes us naturally inclined to form relationships, not just the one we are entitled to by way of family and friends, but also professional ones. And the development of this *jaan pehchaan* is professionally called Professional Networking.

And the hermit in you may ask *Why? Why bother getting to know people over* and beyond my already fully packed circle of friends and (un)/desirable family?

Well, because it pays to know the *right* people!

Let's explore the *why*, *how* and the *who* to professionally network with, here in this article.

## Why professional networking is important for career success

The answer is simple. Opportunities grow with connections. But let's just get into the gory details of the *whys*, shall we?

#### 1. Let's make some friends

Imagine your first job, which in all likelihood is not in your sweet little hometown with all your pals from your diaper days. It helps to get to know people. And what better place to start than your office? Like perhaps meeting for drinks or coffee, after work? Or even look up social meet ups for like minded professionals in your city? You may just find a gem in your new acquaintances you can resonate with and become *bffs*. Yes yes it is indeed quite tempting to just curl up in your lazy boy with a coffee and your favorite TV show marathon every weekend, but it really could make a difference in your life to make new friends. Think of it as investing in a friendship now to help you in the future.

#### 2. The Inside Man(agement)

You know how people save a seat for a friend in a crowded bus? Yes, you do it too! Well a good network is built to do just that. There are jobs that are advertised and then there are jobs that are still to-be. And if you happen to have a *connection* in its vicinity, he might just save a seat, for your interview, way before the position gets public!

Don't feel guilty about the favor just yet. What your network has done for you is to hand you an opportunity which would have otherwise remain hidden from you. You will still go through the usual song and dance of the hiring process.

It is true that employers too like to hire people that come recommended or with some form of surrogate reliability through an existing employee. So why not do a *chance pe dance?* 

#### 3. Steepen the learning curve

People have a customized style of associating with others. Like when you are talking to your parents, the conversation usually lingers around whether you have had enough to eat that day. Your small talk with your aunt probably hovers around your marriage plans, even if you have none, or your parenting plans and if that boat has sailed too, then, your dinner plans. So as you can guess now, your conversations with your professional networking connections would most likely be about new ideas, what's cooking in the current industry, what career opportunities are whizzing past by you and how to stay updated with the ever changing

job environment. All major lessons to take away home, to be stashed or reused.

#### 4. Shows how keen you are

Networking is not a luxury you can choose to live without. It helps you to learn about opportunities, grow in your career and most of all it also shows your peers your eagerness to expand, if done right. 'Coz if you are doing it right, you are not only seeking to gain from being the *networker* but also offering your own skills to help the *networkee*. A give and take, if you will.

## Where, how and with whom to network: Professional networking tips

It's hard to meet people, even with everything that's out there to help the world shrink. So what all can you do to make it easier to grow your professional network?

#### 1. Get Online

Use professional networking sites like LinkedIn, Facebook or other social groups and forums related directly or even somewhat indirectly to your line of profession. And when you get on, don't just participate but contribute. Your potential connections will gravitate to you only if they realize that you have something to offer too.

Write your ideas and opinions in posts visible on like minded groups, use your existing connections to connect to their's, or even respond to relevant topics on forums like Quora. The more digital visibility you get, the more *right* people will find you credible enough to associate with. Read How Social Media can get you Hired?

#### 2. Networking Events

That was the digital story. Coming to the analogue version of you, *you* – nothing beats a personal touch. You are more likely to leave a lasting impression in a one-on-one conversation as compared to a *friend request*. As the The Amber Consulting Group suggests, there is much to gain from making new relationshiops in person, rather than sending out signals over the broadband. So how to get to know new connections in real? Here are some commonly practiced and extremely well known secrets,

- **Fundraising Events:** Events that are designed to attract people from a certain circle, possibly in your field of interest, is a great place to hunt for talent. And while they can be expensive to get into, you can try exploring

corporate discounts, if applicable.

How to know where they are? Use your online social media to search up events in town. It is most likely for a great cause and you will have a purpose, besides mingling, to hang around in it. For example, a walk or run to raise money for a charity, organized by say a venture capital company, would be a great place to meet relevant people in person. You don't have to immediately sell your ideas to get investments for your start up but you can try to initiate the introductions, lay the ground work for a relationship. Be interested in what they do before force feeding them your accomplishments.

- Meet Ups and Other Social Events: The same applies here too. In fact you don't even have to show up with a hidden agenda of finding sitting ducks. Just carry on like you would on any given weekend and if you happen to meet someone possibly interesting, strike up a conversation.
- Use Your Existing Connections: Here's your chance to get to know the friend (of a friend (of a friend (of a friend (.....)...))). Why? 'Coz if your 1st order friend is already a match made in professional heaven, you can trust his choices then on. And just like that you have gone from a one-dimensional linear connection to a circle and finally a sphere of a professional network.

### 3. Don't just build and forget

Like any relationship, a professional one needs nurturing too. While turning pesky or stalker-like is absolutely not recommended, it is essential, though, to build on the network beyond the first hand shake. What is popularly advised is to keep a note, for your own benefit, of when and who you met. Then follow up later with a *Hi* or *Whatsup* to see if you have been as memorable to him as he was to you. Keep the conversations global and casual. If you strike him as always looking to get something out of him, then it could be a potential networking suicide. And try to be useful to your network as well because you are not the only one shopping for a reliable connection. If you have something unique to offer, oblige.

Honestly, these are the same tips you might get on Match.com – *How to meet someone special and fall in love?* Whether you really want to fall in love is really up to you. But a good professional network can do wonders for your career. And in this day and age, it is all about *who your connections are* anyway.

When you meet the right persons, hand them a tin can and wait for a response with the other end glued to your ear, or just exchange business cards Whichever is easier.

Mingle Mingle like a little star!

## Networking Skills: Six Ways Beginners Can Build Better Connections

Networking is the perfect opportunity to connect with like-minded professionals, as well as establish contact with potential partners, investors and more. Doing so, however, can be tricky, especially when you're starting out.

As a new entrepreneur, it can be challenging to find the right time — or approach — to speak to someone you don't know in order to let them know about what you represent and what you have to offer. After all, you have a dozen ideas in your head on what you'd like to talk about and only one real shot at making a good first impression. So should you focus on establishing your value and likeability, or is it better to develop your skills as an active listener? And what should you do after the event is finished, and everyone has gone home?

To help get you started, six members of Young Entrepreneur Council, below, share their best networking tips for fellow entrepreneurs looking to build brand awareness or to win over potential partners, investors and customers. Here's what they had to say:

#### 1. Focus On 'Know, Like And Trust' Factor

You have to create the "know, like, and trust" factor within the first five minutes of meeting someone. Be interested in what the person is saying. Listen first. Then find a way in which you can help that person meet their objectives. It can be as simple as connecting to someone that helps them reach their goals. - Mauricio Cardenal, Roofing Marketing Pros

#### 2. Provide Value

There are three ways to provide value to someone. First, by providing them financial capital. Second, by helping them get distribution through awareness, whether that be an email list, podcast, shoutout or article, etc. Third, by

providing them knowledge or expertise in an area where they are lacking. If you focus on providing someone value in one of those three ways, you can get their attention and do business. - Fahad Mohammed, BrandX Holdings

#### 3. Make It About Them

I always try to feel what resonates with the other person and make it all about him or her. It is not an easy skill to learn, but I feel it is the most effective. I think we all appreciate when we are working and someone just tries to connect to us in a human sense rather than selling us something. Try to find out what they like that is in a way related to your business and connect them to that. - Brian Condenanza, Alchemy Coin

#### 4. Seek Out The Best In The Network

Ask, "who are the three most talented (engineers, sales, etc.) people in your network you think I should meet?" Building a startup is all about building a great team. I used to ask people if they had any recommendations for me on my open vice president of engineering role. I didn't get many great hits. Now, I ask for the best three in their network. Everyone knows three people: It's a founder's job to win them. - Kasey Gandham, Packback

#### 5. Be An Active Listener

My best tip: Provide value to others to build lasting relationships. Allow others to speak first addressing topics of concerns. By listening, we can provide ideas, tips and advice that could potentially help their business based on our knowledge of expertise, thus giving us the opportunity to create a deeper connection and possibly gain business opportunities. - Fred Lam, iPro Management Group Corp

#### 6. Follow Up

The potential quality of the relationship determines how often I follow up. It could be monthly, quarterly, etc. Following up is crucial to growing new relationships. I try to find common ground with people and set up an activity that we both enjoy. That could be wine tasting, surfing or sporting events, amongst other things. - Dominic Piccirillo, The Cody Group, Inc.

# 4 Solid Strategies for Expanding Your Professional Network

It's crucial to build your personal brand and network like a pro in today's business world. Here's how to do it.

- Professional networking means deliberately creating and maintaining relationships with others who can help you further your career or personal brand.
- Many networking tools, including apps and websites, can help you build successful relationships.
- Networking best practices include being prepared, being honest and following up.
- This article is for professionals, job seekers, and entrepreneurs who want to grow their networks and relationships to maximize their brands and careers.

If you ask anyone how they got where they are today, you'll quickly learn that many successful business professionals have connections. These connections, however, were likely not handed to them. Instead, they were forged through successful professional networking.

We'll explore strategies for expanding your professional network to help build your brand, grow your business and achieve your career goals.

### Strategies to expand your professional network

Professional networking requires initiative. You have to make an effort to meet people and then establish and maintain those relationships. "Networking is a deliberate activity to build, reinforce and maintain relationships of trust with other people to further your goals," wrote Anders Ostlund, founder of networking site Fryday, on Medium.

Today, as social media changes business tactics, you can network by sending an invitation on LinkedIn or following a contact on Twitter. But with increased accessibility, it's more essential than ever to build your personal brand and network like a pro.

Here are four ways to grow your professional network:

Use your LinkedIn profile to grow your professional network.

Social media sites, particularly LinkedIn, have changed the professional networking landscape. Many people rely on their LinkedIn network for referrals, introductions, reviews and references – all of which come in handy when you are looking for a job or hiring new team members, said Michael Brown, a career consultant and author of *Fresh Passion: Get a Brand or Die a Generic*.

You can use LinkedIn for business in several important ways:

- Add to your professional contacts. Brown recommends adding anyone you deal with professionally to your LinkedIn network. Even if your contact with these people was brief, they might become valuable allies in the future.
- Learn about people in your industry. LinkedIn is a great space to learn about people's professional and educational backgrounds. If you have a meeting with someone coming up, read their profile to find similarities and conversation topics, advised Tyler Whitman, a licensed real estate agent at Triplemint. Whether it's for a job interview, sales call or alumni networking event, having talking points shows that you've made an effort to learn about the person and increases your likelihood of making a good first impression.
- **Recruit team members.** A LinkedIn page can help your company find and recruit top talent so you can improve your hiring process and find team members who align with your mission and values.
- **Promote your business.** LinkedIn's marketing features make it an excellent business promotion tool, enabling you to grow your relationships with consumers.

#### Ask for introductions to meet new professional contacts.

Don't be afraid to ask someone in your professional network to introduce you to someone they know, Brown advised. Most people are happy to facilitate connections or even become mentors who help you enrich your professional relationships.

You can also ask for help from a networking "wingman." It can be awkward to brag about yourself to a stranger, Whitman said, but a friend can talk up your successes and achievements – and you can do the same for them.

### Keep in touch to nurture professional relationships.

Networking is not a one-and-done deal where you meet a contact and then speak with them only when you need something. If you really want to connect, nurture a sustainable, give-and-take relationship.

"After meeting someone, assuming there is rapport, I make sure I stay in touch," Gavrielides said. "Staying in touch with people requires effort, and it is important to regularly reengage ... I feel that conversations must be natural, but the effort to reengage must be conscious, as we are all too busy to do it effortlessly."

Ostlund noted that while social media sites are an excellent way to begin relationships, authentic professional relationships require in-person meetings to build depth. Trust is hard to develop without the personal interaction involved in face-to-face conversation.

#### Never stop looking for opportunities (but do it right).

Focus on growth and think about the people you encounter daily, Brown said. Grab a business card or search for them on LinkedIn if there is any chance you can call on them professionally in the future.

Keep in mind that you shouldn't network selfishly, Whitman advised. Create a foundation first; learn about the other person and tell them about you. Once there's a foundation, it's OK to ask for something, but don't jump the gun and ask for favors outright.

"Networking should be authentic and should be part of both our business and professional lives," Gavrielides said. "We are naturally social beings and should ensure we socialize rather than engage in forced exchange. The relationships I built along the way are now customers, suppliers, partners, colleagues, investors ... [and] many are close friends."

## **Professional networking tools**

A comprehensive networking plan is essential, and software apps can help with that. We've already discussed LinkedIn, but you should consider adding a few other tools to your professional networking arsenal.

• **Discord:** Launched in 2015, Discord is a small business chat tool initially designed to help gamers talk globally. The app has exceeded its original purpose and is used by all types of businesses, influencers and brands. Discord offers users a dedicated server for instant messaging, audio chats and video chats without any extra costs. The app is an excellent resource for reaching out to your community and engaging with your audience.

- **Bumble Bizz:** Bumble Bizz is a spinoff of the dating app Bumble. It was established in 2017 as a way to create professional networking opportunities. Bumble Bizz uses the same location-based data as the dating app to encourage local business relationships. It's an excellent tool for making business matches at your pace on a more personal level.
- WhatsApp: What started as an alternative to SMS in 2009 is now a free, end-to-end-encrypted messaging, calling and video chat app used by more than 2 billion people in over 180 countries. WhatsApp's accessibility makes it a crucial tool for networking and keeping in touch with people worldwide. Brands like Adidas and Absolut Vodka use the app to market to their audiences, while other companies use WhatsApp for customer service.
- **Twitch:** Launched in 2011, Twitch focuses on video game livestreaming, esports competitions and various streaming options. The Amazon subsidiary has experienced massive growth and is praised for its community-building quality. Its streaming reach has made it an attractive platform for companies and provides a unique tool for small businesses, which are 74% of the companies using Twitch.
- **TikTok:** Popular social media app TikTok is a platform for short-form videos used for various purposes, from entertainment to education. Like Twitch, TikTok business features promote community interaction, including the ability to make video responses to comments that can be used to answer questions. Also, the app allows people to make videos that build off others, called duets. Businesses are starting to gravitate to the app, and it's only the beginning of its business potential.
- **Meetup:** The Meetup website gives people the opportunity to, well, meet up. As the name indicates, the site lets users create social or business groups, including networking events. To adapt to the pandemic, Meetup added streaming capabilities. It can be a great tool for expanding your business.

## Professional networking dos and don'ts

With both online and in-person networking, remember that it takes effort to succeed and grasp potential opportunities.

#### Do ...

• **Be prepared for meetings.** Being ready means dressing for the action, making eye contact and using a firm handshake. Another element of

being ready is ensuring people can keep in contact. For in-person meetings, have business cards ready with all your necessary contact information. For online networking events, have a LinkedIn profile, website and portfolio ready to share.

- **Have honest conversations.** It's easy to tell when people are putting up a front or being disingenuous, so authenticity is essential. People appreciate honesty and openness, so approach everyone as if you want to be friends. When talking to people, be clear and concise so you aren't dominating the conversation.
- **Follow up.** It's crucial to follow up with any connections you make at a networking event. Sending thank-you notes is one way to do this. Additionally, if someone gives you advice on getting ahead and finding opportunities, be sure to look into their recommendations.

#### Don't ...

- **Put people on pedestals.** Everyone at a networking event is a person and deserves the same amount of respect. Try not to be intimidated by someone in a position of power or fame. Also, don't try to flatter the person you're talking to or show you're a "superfan." Most people want to have a genuine conversation.
- Forget to listen. Being present in the conversation is a recipe for success, and understanding that the networking event isn't just for you is a bonus. You'll be tempted to say your piece or jump into a conversation, but you want encounters to have a natural flow. Whether it's a one-on-one conversation or a group meeting, listen to whoever is speaking and take in what they're saying. The speaker can usually tell if people are actively listening, and they appreciate it when someone values their time and knowledge.
- Get discouraged by rejection (or fear of it). Don't let the idea of rejection scare you off the path. Even if you go to just one networking event, you'll interact with many people, and not everyone will be a fit for your professional network. You'll have plenty of opportunities to connect. Don't be afraid to introduce yourself. Be kind and courteous. Ask questions. The more you put yourself out there, the more chances you'll have to find strong connections.

## How can networking help your career?

Online and in-person networking are essential as you navigate your career path. However, networking's benefits go beyond employee referrals and new job opportunities. Professional development expands your skills and knowledge base. By interacting with others in your field, you learn what people outside your company or niche are doing, giving you a fresh perspective.

You'll also have ready access to experts who can help you figure out the answers to your toughest challenges. In fact, asking for help is one of the best ways to keep that connection strong.

Don't overlook industry events as excellent opportunities for professional networking. Do your homework in advance so you know whom you want to meet. Then, with your talking points in hand, introduce yourself. You are on your way to an expanded professional network.

## Professional networking is a skill

Professional networking is a skill you can develop and improve. The art of networking is dynamic, so staying abreast of new and effective methods and platforms is essential. Even if you aren't looking for a new job, networking is crucial for building relationships that can help your current position and enrich your professional life.

### **Common obstacles of networking**

Given the complex symbiotic relationships that come from networking, there are some common obstacles you should expect.

#### 1. Lack of reference

**Obstacle:** For introverts not comfortable with people they don't know, networking can be like pulling teeth. Not knowing someone can be like <u>staring</u> into a black hole, and that's a grim outlook. Without a frame of reference, how do you start a conversation?

**Solution:** It's important to remember that <u>every friend you have was once a stranger</u>. Remember this and you can approach people as if you are looking for a new BFF. Look for someone who either isn't in conversation or is part of a conversation that's lulled and be friendly. Offer your name and what you do and ask them an opening question such as "What do you know about the day's speaker?" or "Have you been to one of these networking events before?" Try

not to scour the room looking for someone that takes your fancy, and instead talk to the first person you see. This will get your talking muscles going and will remove any barriers or insecurities you might be having.

#### 2. Fear of embarrassment

**Obstacle:** Sometimes it's not the 'not knowing someone' that's the problem. Instead it's the 'knowing someone'. The fact you are wanting to make contact with a particular person means that you likely respect them, and that respect can lead to fear you'll embarrass yourself.

**Solution:** If you're planning on calling or emailing someone to ask for a meeting, start by doing some research. It's one thing to know a person, but it's another to understand how exactly you could work together to bring benefit to both you and them. Start with a compliment, and then explain why you'd like to start a conversation.

#### 3. Irrelevant conversation

**Obstacle:** A flowing conversation is a great thing, but only if it's about the right topic. You don't go to a networking event to talk about what you are watching on Netflix, but too often a conversation gets stuck on something irrelevant.

**Solution:** Try to get an understanding of what a person does and then ask yourself, "How does this persona align with my goals, and how can they benefit my professional ecosystem?" If you feel yourself getting off topic, steer the conversation back to the answer to your question. If your conversation continually moves away from your desired goal, you're talking to the wrong person. Remember, successful networking is about prioritising who's worth reaching out to and who isn't. Just because someone holds the same position as you or is in the same industry, doesn't mean they should automatically make your network list. Only nurture the contacts that offer the greatest potential.

#### 4. Herd mentality

**Obstacle:** When people are grouped together it can influence how they behave. A group may seem less inviting than an individual, because the people in it adopt certain behaviours that make it appear there is no room for you to join in.

**Solution:** Before approaching a group, try to gauge how open or closed off they are. A group that's busily discussing a topic that's exclusive to them might not appreciate you steering the conversation another way. If the group seems open, saddle up and give a silent nod or a quick hi to anyone who makes eye contact. When appropriate, introduce yourself and weigh in on what you've heard so far.

Make sure you wait for a small pause before interjecting, and talk to the group as a whole rather than single out an individual.

#### 5. Closed books

**Obstacle:** Despite being at a networking event, many people get bored by the question of "So what do you do?" and will become a closed book. It's not that it's a bad question, it's just that it has a transactional taste to it. One of the reasons people don't like networking events is that they feel forced to answer the question over and over. This reduces them only to their title and their potential economic value. It almost completely exudes their human side.

**Solution:** Be creative with your questioning so that you can gain this important answer without having to ask it directly. Asking, "What brought you to this event?" or "How do you see this event helping your current project?" will inevitably weave the answer you're looking for in.

#### 6. Ending conversations

**Obstacle:** Your goal of a networking event should be to meet as many people as you can. This is not always possible, however, when someone holds up all your time. Some people forget their reason for being there and will fixate on the one conversation.

**Solution:** The simplest way to end a conversation at a networking event is to ask for a business card. This will often lead to a handshake and a simple, "It was great to meet you and I look forward to talking to you in the future." If you do not have a card, suggest they look you up on LinkedIn to continue the conversation another time. Explain that there a couple of other people you'd like to talk to, but that you've enjoyed speaking with them. If you have an ultraclinger that still won't disengage, hit the emergency brakes by declaring you need to visit the bathroom or make a phone call.

#### 7. Retaining information

**Obstacle:** At an event where you speak to a range of different people, remembering who's who can be a challenge. Too often you can <u>lose track of high value contacts</u> because you didn't debrief the conversation.

**Solution:** After each conversation, take a moment to debrief in a quiet corner. Use a recording app on your phone to capture the information you found relevant and describe the contact in enough detail to ensure you maintain a connection.

#### 8. Next steps

**Obstacle:** A good conversation is an excellent thing, but only if it leads somewhere. Otherwise, you'll struggle to reconnect down the road.

**Solution:** Find a rational reason to deepen the relationship and use it to create a next step. Perhaps you worked on a project that addresses a problem your new contact is trying to solve and you can offer them some insight. Having an actual purpose for a meeting down the track will ensure they follow through with it.

#### Making sure you benefit from networking opportunities

Networking is not just about meeting people, and it's important that all parties are engaged in mutually beneficial ways. Understand that networking can be hit or miss, and you won't be disappointed or feel obliged to make a contact you see no value in. Be purposeful when networking and use the time well.

## The Dos and Don'ts of Professional Networking on Social Media

But there's a right way to approach networking and a wrong way. Just because it now happens on the internet doesn't mean standards and rules no longer apply. Stick to the following dos and don'ts to increase your chances of success.

#### 1. Do Learn the Quirks of Each Platform

In 2016, LinkedIn was the **most important social network for professionals**. That shouldn't come as a surprise. After all, LinkedIn is *designed* for professionals. But don't get it twisted: **LinkedIn shouldn't be the only platform you use**. Every major platform has something to offer.

- LinkedIn is akin to an online résumé. It's great for showing off your work history, your skills, and your existing professional contacts. It's also a great way to find new contacts through your existing ones.
- Facebook is more casual than LinkedIn, but you can use it to connect with old classmates and former coworkers. Through them, you may be able to establish new professional contacts.

 Twitter is the most casual of all. You can send messages to anyone at any time, making it easy to strike up conversations with strangers without needing an introduction first.

What's most important is that you learn the norms of each platform. On Twitter, it's acceptable to butt into any tweet chain and share your thoughts. Friend requests to strangers may go ignored on Facebook while users on LinkedIn may be more willing to hear you out. It's up to you to learn the "rules" of each platform so you don't come off as clueless.

#### 2. Don't Skimp on Your Profiles

This tip can be easily misunderstood so be careful.

On the one hand, avoid sharing too many personal details. At the very least, never share your home address and phone numbers for the public to see. These can be abused in ways that could turn you into a victim of harassment.

On the other hand, don't be afraid to share professional details. The more clarity you can provide regarding work experience, past projects, current skills, and personal interests, the more appealing you will be as a new contact. And don't forget to set up a great profile picture!

#### 3. Do Separate Personal and Professional

For most people, it's a good idea to keep separate social media accounts meant specifically for networking. This minimizes your risk of contaminating your professional image with **personal "off-duty" posts**.

One possible exception is if you're a celebrity and your name is the brand. Examples include Seth Godin, James Clear, Tim Ferriss, Neil Gaiman, John Scalzi, and even Perez Hilton. Unless people are interested in *you* instead of what you can *do*, separation is for the best.

### 4. Don't Be Shy or Reserved

Networking is all about reaching out. You have to be the driving force if you want to connect with others and expand your circle. It's inconvenient and even a bit scary, I know, but the simple fact is that people won't come to you. You have to go to them.

So don't be afraid to put yourself out there. Most professionals on social media are there because they also want to expand their reach. Some of them will ignore you, and that's okay. The takeaway is that reaching out and being ignored

is better than not doing anything and hoping the connections come. Networking just doesn't work that way.

#### 5. Do Make a Great First Impression

Whatever you do, don't take the "shotgun approach" and spam dozens of people with canned emails or friend request messages. I personally hate when this happens to me and it's the quickest way to be ignored.

**Research potential contacts before reaching out to them.** Find a common interest. Show them why you're different from everyone else. But don't say too much and don't come on too strong. Get right to the point, keep it brief, and be respectful. The best first impression is memorable but not obnoxious.

#### 6. Don't Demand or Expect a Response

Again, it's normal for friend requests and emails to go ignored. Think about it: you can hand out a hundred business cards but still get no calls, right? It's no different here. Maybe your first impression was weak. Or maybe the recipient is swamped with work or life.

If you don't hear back, you should probably move on. "Lost" or "forgotten" emails and requests are rarer than you think. Chances are, it was ignored -- and sending a follow-up probably won't accomplish much. You can try, but if that's also ignored, then take the hint and don't push it.

### 7. Do Build Relationships, Not Contacts

One thing I don't like about professional networking is that you can start to see others as objects instead of people. It's too easy to look at somebody as an opportunity or stepping stone. The more contacts you amass, the easier it becomes.

**People are more perceptive than you think.** If you approach someone as "just another contact," they can sense it and will respond accordingly. And if you reach out to someone and show interest in developing a relationship, they can sense that too. Guess which one they'd prefer.

#### 8. Don't Be a Leech

Professional networking has always been, and will always be, a two-way street. It's not just about what's in it for *you*. In order to develop successful contacts and relationships, both sides need to offer value to the other.

The trick is, "value" can be anything. It could be your skills, personality, ability to hold an entertaining conversation, or even your existing contacts. Take some time to think about what you bring to the table. What would make someone else want *you* as a professional contact?

And not only that, but consider helping others for no other reason than to help. Social media karma is real. Selflessness can go a long way towards building new relationships, and you'd be surprised by how many doors it can open.

#### 9. Do Ask for Preferred Forms of Contact

If you've done all of the above and successfully established a conversation with someone, ask them how they would prefer to continue the relationship.

Common modes of communication include email, Facebook, and probably a mobile chat app like WhatsApp or Skype. But you never know! They might prefer tweets only, or LinkedIn messages, or perhaps they'll invite you to a private Slack community that they check into every day.

### 10. Don't Give Up

Professional networking is a marathon. It's true that you can expand your circle more quickly now than ever before, but we're talking the difference between years and decades. Networking takes time and persistence.

#### This doesn't mean you should pester the same person over and over.

Nothing good will come of that -- if they aren't receptive, move on. By persistence, I mean that one person's rejection doesn't mean *everyone* will reject you.

Mismatches happen for all kinds of reasons. You just have to take them in stride and keep putting yourself out there. One by one, your professional network will grow, and so will your relationships and opportunities.

# How to Become an Influencer in 2023 [A Beginner's Guide]

What is an influencer?

In simple terms, influencers are social media personalities with many loyal and engaged followers. Most influencers share a friendly rapport with their fans.

The fans, in turn, often regard these influencers as role models and follow their recommendations. In fact, influencers are often perceived as authority figures or experts in their respective niches.

#### Want to know why they are so influential?

Owing to the accessibility of social media platforms, influencers are able to establish personal connections with their followers.

Unlike traditional celebrities, their lives aren't shrouded in an air of mystery. This is what gives them sway over their audience.

Instead, influencers often reveal a glimpse of their personal lives to their followers. This is precisely what helps them establish friendly bonds with their fan base.

Influencers are social media celebrities who have a certain amount of leverage with their fan communities.

The most significant factor that distinguishes influencers from high-profile celebrities is that the former adds their unique and authentic voices to their content. This helps them earn the trust and loyalty of their followers.

In fact, 70% of millennials claim to be more influenced by bloggers than celebrities.

It is also important to ensure that your content is grammatically correct and has the right tone. You can achieve that by using the ProWritingAid style editor and grammar checker.

#### **Types of Influencers**

Influencers can be put into categories according to their follower count or their content/niche.

Let's take a look at both.

#### Influencers According to Their Follower Count

There are between 3 and 37 million influencers according to EarthWeb. With such a large number, it can be expected that some garner much larger followings than others.

That's why influencers can be categorized according to their follower count, as follows:

- Nano-influencers 1k to 10k followers
- Micro-influencers 10k to 100k followers
- Macro-influencers 100k to 1M followers
- Mega-influencers 1M+ followers

#### **Nano-Influencers**

Nano-influencers with their small community of followers tend to be very engaged and yield high engagement rates.

The reason is that people who tend to follow these nano-influencers are most likely following them because they are interested in their content, rather than following them just because they're famous or trending.

Nano-influencers are usually also more engaged and specific with their sponsors and what they promote, which helps their followers to fully trust their endorsements.

Nano-influencers are also able to engage more closely with their audiences since a smaller follower count means you can easily answer a larger percentage of your followers' questions and comments.

#### **Micro-Influencers**

Although boasting a larger follower count, micro-influencers still have a relatively decent engagement rate, although a bit lower than nano-influencers.

At this point, most influencers have settled on a subject or niche, becoming somewhat of a "professional" in their field of content or niche.

This makes it easier for brands to be able to pinpoint an influencer's target audience. Marketing campaigns with micro-influencers are often the best option of the 4 types.

#### **Macro-Influencers**

Macro-influencers have amassed a large following of over 100k, but haven't joined the 1M club yet.

These tend to be internet celebrities, which typically include social media influencers, bloggers, vloggers, and podcasters.

At this point, the large number of followers means that some might only be there for certain content, whilst other followers might only engage every so often. This means that the engagement rate on the posts of macro-influencers is much lower than on posts from nano and micro-influencers.

#### **Mega-Influencers**

Mega-influencers are full-blown celebrities with millions of adoring fans around the world.

They don't come cheap and can ask for a lot of money for sponsored content or brand deals. Their engagement rate is the lowest of the 4 types, but their audience reach is obviously the highest.

#### Influencers According to Their Content/Niche

Now, let's take a closer look at the different types of influencers based on their content or niches.

#### **Gamer Influecers**

Gaming influencers are people who enjoy a certain aspect, or all, of gaming.

They create content geared towards the gaming community, whether it be playing games, reviews, news, or livestreaming.

Markiplier is a mega-influencer coming from YouTube fame as a gaming channel. Currently, he has 33.7 million subscribers.

A lot of gaming influencers post video content on YouTube, as well as livestream gaming sessions on YouTube or Twitch.

#### **Fitness Influencers**

Fitness influencers are all about looking and feeling great.

Fitness influencers come in many different forms. Some provide only nutritional advice, with others offering exercise and workout guidance. Some prefer to post a mix of both on their social media accounts.

Jeff Cavaliere, better known for his social media account, Athlean X, has over 13 million subscribers on YouTube and 2.2 million followers on Instagram.

His videos are a mix of exercise programs, exercise advice, and nutritional guidance. He'll also vlog about his daily routines or heating habits occasionally.

#### **Photography Influencers**

Photography and photographers become internet celebrities through their remarkable skills in taking and editing photos.

Photographers who share their work on social media might be lucky enough to get to endorse a large camera manufacturer like Canon or Sony.

They might also offer classes or tips on taking better pictures.

This is Chris Burkard's Instagram account. He is a photography influencer with over 3 million followers on Instagram. He specializes in taking photos of nature and scenery.

#### **Beauty and Fashion Influencers**

Fashion and beauty influencers spent most of their time designing clothing or giving fashion advice, including makeup and styling advice and tutorials.

Macro and mega-influencers tend to get sponsored deals with large fashion design or cosmetic companies.

Lauren Conrad is a famous fashion and cosmetics influencer with 5.9M followers on Instagram. Recently, she launched her own fragrance brand.

#### **Food Influencers**

Food influencers spend a lot of time creating food content related to cooking, food blogging/vlogging, and reviewing the latest food trends and restaurants.

A popular "foodie" is David Chang. With 1.7M followers on Instagram, David Chang has to spend his time wisely between his family, food vlogging, and running his chain of restaurants called Momofuku.

## How To Become A Social Media Influencer In Ten Simple Steps

In order to become a social media influencer, I've crafted a ten step strategy based on my experience and observations that might help:

1. **Find your niche.** Something you're really interested in and you're able to tell people something new, fresh and/ore extraordinary. Be an expert here.

- 2. Now pick two, three, or four (maximum) social media channels that you'll cover. Are you good with videos or are you more written content-oriented? Think about the type of content you want and are able to create and publish. More Facebook (various of types of media)? Instagram (mainly pictures)? or YouTube (the most challenging but most promising if you feel you're good at it)?
- 3. Create a **content strategy.** What are your constant information priorities. Why will people be eager to follow you? **It must have a value.**
- 4. Once you **have a plan** for two or three months out, prepare it and start publishing!
- 5. **Do it constantly.** Your content must attract people; make it considered and consistent. You know what message you want to pass along, so stick to it all the time, but also look for something new at the same time!
- 6. **Contact other people and brands** in your industry. Talk, exchange likes, comments, maybe ideas? Be noted.
- 7. **Build your community.** Invite new people. Go to forums, groups, fan pages, etc. linked to your industry.
- 8. **Promote yourself.** I'm not talking about bragging. The good content always defends itself; you just need to guide the audience to it. Share your content everywhere where it might seem interesting.
- 9. Provide value. Always.
- 10.**Grow and draw attention** to your work. Then to yourself as the author of it. Unless your plan is to become a celebrity, then you can forget all the previous points. Just stay and shine.

People will start to listen to you and follow you. The more people that are with you, the stronger your position will get. Remember, the indicator showing how influential you are is not dictated by you. It is your community who decides when you're an influencer. **Respect it and nurture.** 

One last thing: For people who label themselves as influencers, someone once said "When you say you are modest, you stop being." In my opinion, the same applies here.