

## Kate Sayer: Using diversity to manage risk

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You need the right mix of people and personalities on your board to have effective decision-making, says our columnist



**Kate Sayer**

One of the common cognitive biases that we now recognise is "group-think". **It's easy** to see how a group of people working together as a team might select new team members who will easily fit in, are like themselves and therefore think like them. However, it means that such teams are prone to make decisions or take actions that **increase the organisation's exposure to risks.**

By contrast, a more diverse group of people is likely to think of different aspects of a decision or plan, represent different stakeholders and bring different experiences. This increases the chances that **one of the group will say: "Hang on, shouldn't we think about how this will look to the outside world? Isn't there another way we could do this?"**

A charity board will typically conduct a skills audit to help it identify particular skills that are needed for new appointments. But perhaps it should consider the different personality types on the board. There are simple tools you can use to learn more about each other and how you approach life. One person might be caring and put relationships above all else. Someone else might be good at new ideas, whereas

another might be able to help the group focus on results. A team of ideas people might never get a job finished and a team of results-focused people might not bring in new ideas. The right mix of personalities on a team can help to improve decision-making and delivery.

Without having to analyse every team member, you could use an approach such as **Edward de Bono's "Six Thinking Hats" to bring diversity to your decision-making**. You do not have to physically wear a differently coloured hat, but the analogy is used to get the team to think in different ways. For example, green signifies ideas and creativity. So you could pause in your discussions and ask everyone to think green: "What else could we do here?" Whereas black signifies risks and you should ask: "What could go wrong? Are there opportunities we are missing?"

The six different colours can help a group to work through a problem or decision systematically. It also allows people in the group to get out of their usual roles if they have them. Everyone is asked to think from the different perspective that the colour represents, and this draws out different strengths in the group.

Diversity is particularly helpful if you are trying to innovate. Whichever department new ideas might be in, you should consider bringing together a multi-disciplinary group of people to steer the project and help the planning. Different ideas, viewpoints and experiences enhance the discussions and ensure that new ideas are subject to more rigorous testing.

A diverse board or team will not necessarily feel as comfortable as an "in group" of like-minded individuals, so you will have to work at building trust and enabling all voices to be heard. But it will be worth it.

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