

Has Latin America found the missing piece in executive hiring?



| The value of decision making
| in hiring strategies.

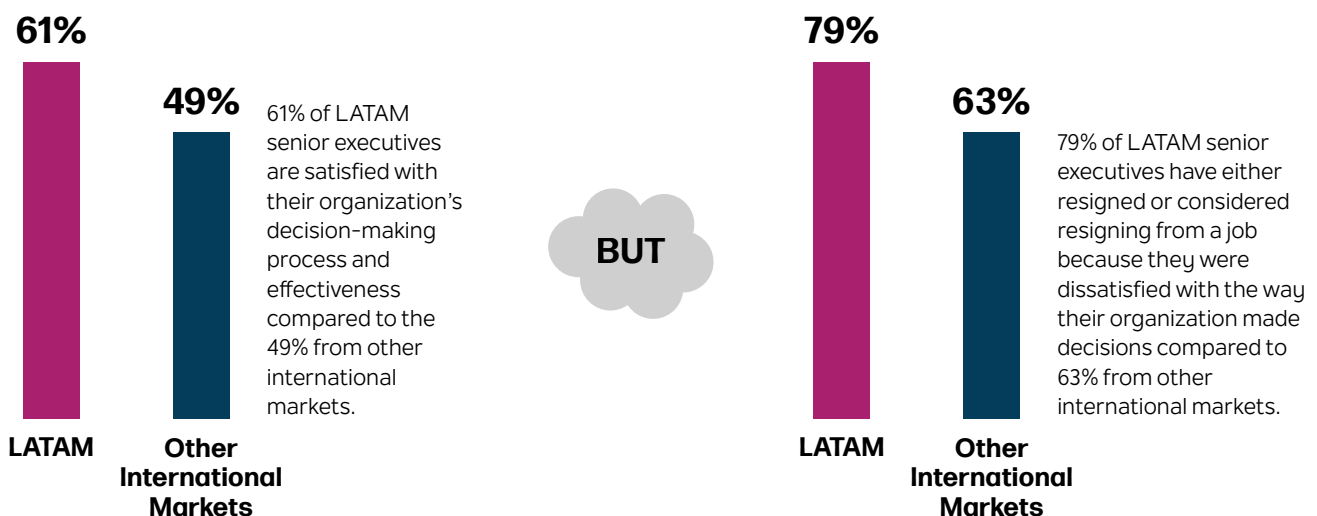
As companies navigate a global business landscape that is more complex than ever, the skill of making effective, timely decisions should be considered non-negotiable for leadership.

Yet our [new research](#) shows that decision making is an overlooked factor in hiring strategies: a quarter of senior executives in our global survey say they were not asked about their decision-making capabilities at the interview stage. And just 36% say their decision-making style aligns with their organization's.

In both Latin America (LATAM) and other international markets, senior executives whose decision-making styles align with their organizations are more likely to be happy in their role overall. People, rather than technology or processes, are also most likely to drive improvements in organizational decision making.

However, despite these similarities, our findings reveal some stark differences between LATAM and the rest of the world. For senior executives in LATAM, satisfaction with their organization's decision-making processes is more than 10 percentage points higher than in other regions. They are also a lot more likely to have been asked about their own decision-making capabilities at the interview stage (87% compared with 75%).

Despite this, the majority (79%) have either resigned or considered resigning at some point in their careers because they were dissatisfied with the way their company made decisions, compared to 63% of senior executives from other international markets. And 39% of LATAM senior executives say they have actually resigned, compared to 34% of those from elsewhere. Additionally, only just over a third (37%) of LATAM senior executives' decision-making style aligns with that of their organization's.



We take a closer look at these nuances in the LATAM market and find out why decision making is such an important part of leadership hiring.

Could LATAM be a global frontrunner in this regard?

About our research

Purpose

The objective of the research is to explore several dimensions of organizational decision-making in Latin American countries, including the relationships between decision making and executive leadership, talent strategy, and employee satisfaction.

The survey

Kingsley Gate commissioned a survey that was conducted by FT Longitude in September 2023.

We spoke to senior executives at C-suite, C-1 and C-2 levels. They came from 13 industries and six countries across Latin America:

Argentina, Brazil, Chile, Colombia, Mexico, and Peru.

This is a comparative study of research carried out in May and June 2023, which surveyed senior executives at C-suite, C-1 and C-2 levels from 13 industries in Singapore, Spain, the UAE, the UK, and the US. We refer to this sample as “other international markets”.

Note: Some questions in our survey asked respondents to rank different elements of job satisfaction on a scale of 1 to 10. For other international markets, we defined “neutral” as those selecting 4, 5, or 6. However, there is a known tendency for Latin American respondents to choose more positive or extreme sides of the scale. So those who answered 7 out of 10 in this LATAM sample have been placed in the “neutral” group. The definition of “satisfied” is consistent across all markets (8 or above).

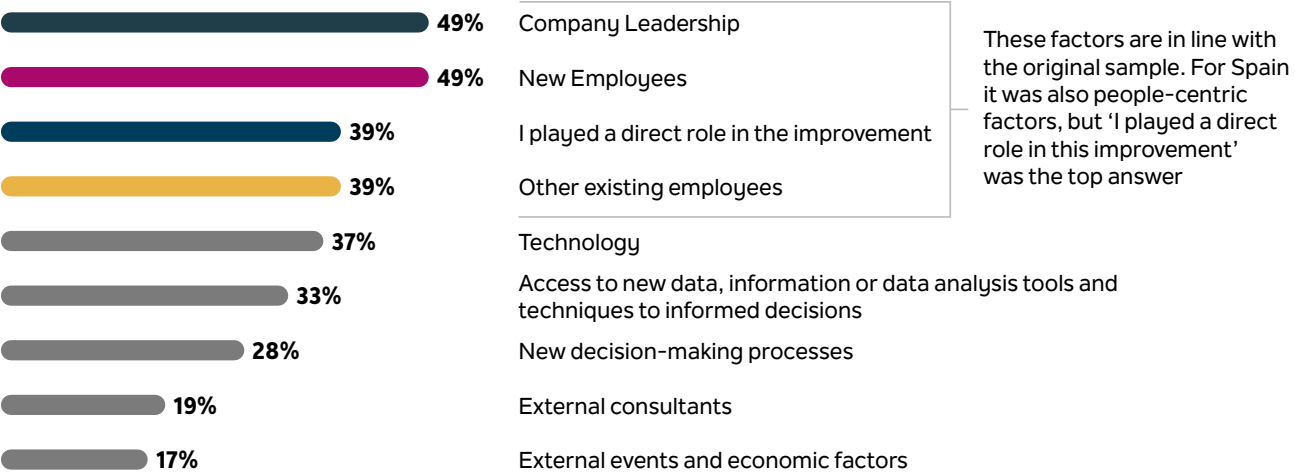
People make more of a difference between good and bad decision making than tech or data

LATAM senior executives in our research reveal that, put together, the decision-making capabilities of some key individuals are the main driver of better decision making in organizations.

Senior executives were asked to reflect on the improvement in their organization’s decision making during their time at the company and consider what has played the biggest role in driving this improvement. The most influential factors were company leadership and new employees. These were followed by their own personal, self-reported impact, and then by other existing employees.

These people-centric factors rank ahead of technology, processes, data-analysis tools, and economic factors – a trend also reflected in other international markets.

Company leadership and new employees followed by their own personal self-reported impact and other existing employees are the top factors in improving decision-making capabilities



And when LATAM senior executives were asked to name the main factor in time-wastage in decision making at their organization, answers were most likely to relate to inexperienced decision-makers or poor leadership. This highlights that people can both positively and negatively impact decision making within an organization.

So, employing experienced decision makers at leadership level helps decisions to be made effectively with minimal time-wastage. And for LATAM senior executives, faster decisions are the top way to increase their satisfaction with their organization’s decision-making effectiveness.



Recruiters in LATAM should discuss decision making with prospective senior executives during the hiring process. Assessing the candidate's decision-making ability and style will help the organization to hire good decision makers, and our research shows that good decision makers minimize time-wasting and improve decision making in the company overall.

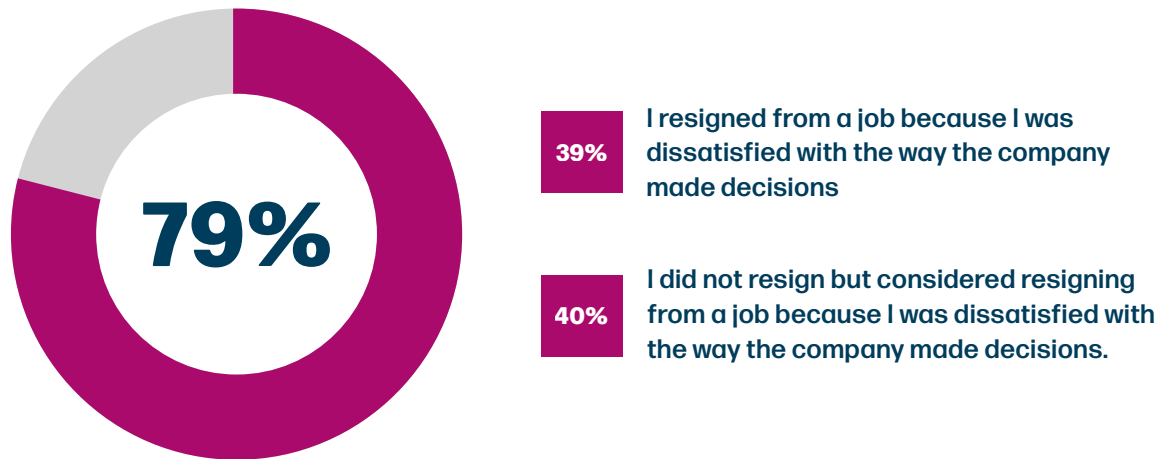
Empowerment and autonomy encourage progress but could cause friction



Two-thirds of LATAM respondents are satisfied with how empowered they are to make decisions in their role. This compares with only 58% of respondents in other international markets.

Empowerment is clearly important to LATAM senior executives: 79% say they have resigned or considered resigning because they did not feel empowered to make good decisions. In other international markets, it's only 63%.

The majority of LATAM senior executives have resigned or considered resigning from a job because of dissatisfaction with how decisions were made



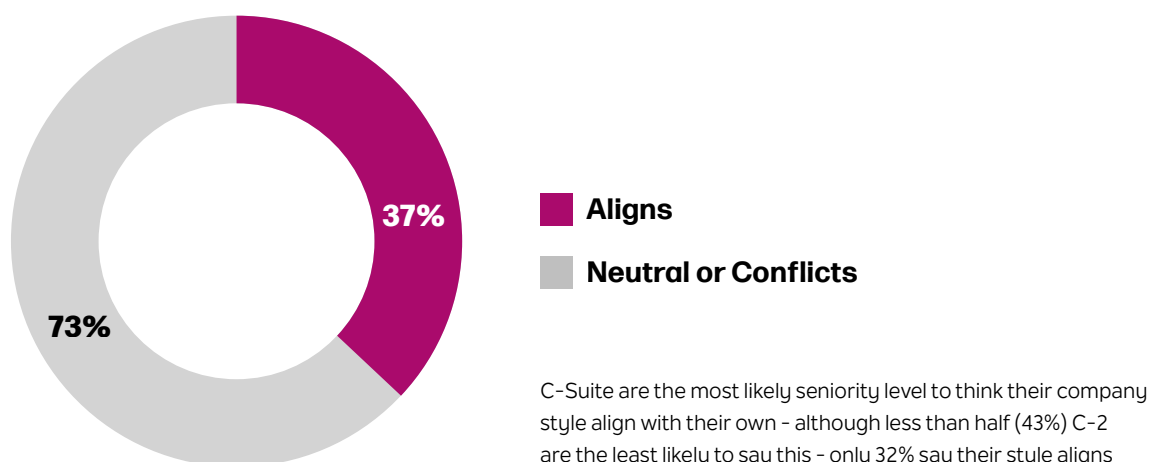
This compares to **63%** who have resigned or considered resigning in the original sample and **54%** in Spain

LATAM senior executives might feel more empowered because they have more autonomy. Over half (58%) say they have decision-making authority and are accountable for the results within their own area of responsibility, compared with only 39% of senior executives in other international markets.

According to McKinsey research, empowerment comes from giving people a strong sense of ownership of and accountability for decisions while also providing space for them to fail safely.¹ This suggests that empowerment and autonomy are intrinsically linked.

Senior executives in LATAM are more likely than others to feel empowered, have autonomy and authority, and have discussed decision making at the interview stage. Like in other regions, only a relatively small proportion feel aligned with their organization on decision making:

Only over a third of senior executives say they align with their organization's decision-making style



- 37% say their decision-making style aligns with their organization's style
- 28% say their decision-making style conflicts with their organization's style

The empowerment, autonomy and authority that LATAM senior executives possess could indicate that they are allowed to make decisions their own way, separate from the decision-making style of the company overall. Equally, this lack of alignment could suggest that conversations about decision making in interviews are too superficial; executives are not aware of the organization's style; and executives have been hired to introduce a different approach.

Interestingly, the LATAM senior executives who have the most decision-making authority within their area of responsibility—at a departmental level and an organizational level—are most likely to say their style of decision-making conflicts with their organization's. Executives with more authority may be required to challenge the status quo with a different approach to decision making. Again, this could simply indicate that they are given the authority and autonomy to make decisions their own way, separate from the decision-making style of others.



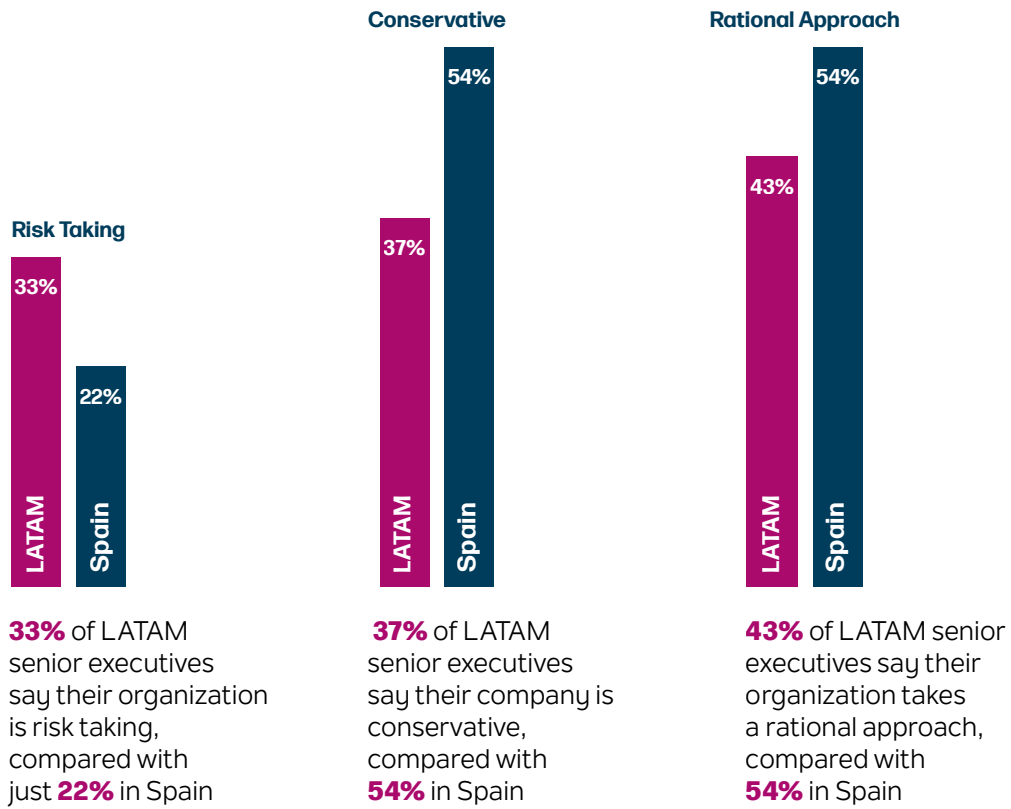
Discussing decision making during the hiring process will allow companies to assess whether a senior executive can bring in a different approach in a respectful way that doesn't lead to friction. It will also help the candidate to understand whether they need to challenge the status quo—and how to go about it.

¹Aminov, I., De Smet, A., and Jost, G. (2019). Decision making in the age of urgency. McKinsey & Company. <https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/decision-making-in-the-age-of-urgency>

Culture influences decision style

The autonomy of LATAM's senior executives could come down to a democratic decision-making style within organizations. Our research shows that LATAM organizations are more likely to have a democratic rather than a top-down decision-making style, whereas other international markets, including Spain, are more likely to say that they have a top-down style.

Spain's organizations are also more likely to take a rational and conservative approach to decision making:



These findings are consistent with Hofstede Insights' Country Comparison Tool,² which shows that uncertainty avoidance is prevalent in Spain—more than in Latin American countries such as Brazil and Mexico.



Despite Spain having a more conservative, rational and top-down approach than LATAM, both regions are united in their adoption of empowered decision making. Over half of senior executives in both regions say they lean toward an empowered approach, whereas only about a quarter say they are authoritative.

This suggests that empowered decision making can be achieved in tandem with conservative, rational and top-down styles, as well as democratic and risk-taking approaches.

As well as this, over two thirds (69%) of LATAM senior executives say they rely on intuition or gut instinct to make decisions, compared to 60% from other international markets. This could be due to a lack of data. When asked to name the main factor in time wastage in decision making at their organization, 'lack of data' was a prevalent response, second to inexperienced decision-makers or poor leadership.



Variation in organizational decision-making styles between regions reinforces the idea that organizations and candidates need to discuss decision making before a job offer is made. This is especially true when interviewing candidates who may have worked in other countries or who may need to collaborate with international stakeholders, as there could otherwise be unforeseen implications.

²Country Comparison Tool. Hofstede Insights. <https://www.hofstede-insights.com/country-comparison-tool?countries=spain>

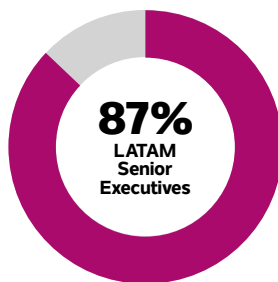
Latin American companies show us why decision-making skills and styles should be part of executive hiring



LATAM senior executives are more likely than other international markets to:

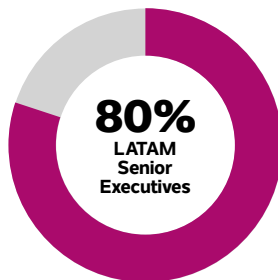
- Have been asked about decision making in their interviews
- Be satisfied with their organization's decision-making effectiveness
- Be satisfied with how empowered they are to make decisions
- Have decision-making autonomy
- Be happier with their job overall

LATAM senior executives are more likely to have been asked about their decision-making capabilities before starting their role



This compares to 75% who said decision making was discussed during their interview in other international markets

During the job interview of performance review that took place prior to my appointment or promotion to my current role my experience, capability and/or potential specifically relating to decision-making was explicitly discussed



This compares to 75% who said they asked questions about the decision-making culture before taking the role in other international markets

Prior to assuming my current role, I expressed my expectations of, or asked questions about the operating culture within which organisational decisions (and decisions for which I would be responsible) are made.

The research suggests that satisfaction with decision-making effectiveness is achieved through discussing it at the interview stage, as well as from having more empowerment and autonomy. This then leads to greater workplace happiness: our findings show that those who are satisfied with their organization's decision-making effectiveness are more likely to be satisfied with their role in general.

But only about a third of LATAM senior executives say they align with their organization's decision-making style. This could suggest that companies are looking for candidates whose approach differs from the organization's, or that questions about decision making at the interview stage only touch the surface.

Whichever it is, decision making should play a bigger role when organizations hire senior executives. Not only does establishing candidates' decision-making style help them to thrive once they join—it could also be instrumental in helping the entire organization to make better decisions.

 **Kingsley Gate**