



LEADERSHIP AND VISION

Executive Overview for:

Leadership and the Decision-Making Process

"The most critical process in any organization and the difference between staying ahead of the market curve and out of the way of major problems is decision making. An Owner/Leader needs to be able to pull the trigger...The gun, however, should not be aimed at your foot but only at your target."
YourBoard.US

1. Determine the need for a decision.
 - a. Do not make one that is not needed.
 - b. Don't hesitate to make one when needed.
 - c. Don't procrastinate.
2. Is it a tactical or strategic decision?
3. Plan for 360° communications on each decision that is made.
4. Don't hesitate to reconsider a previous decision as information changes.



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Clearly define the decision that will be made.

Determine the level of need for a decision to be made. If a decision, especially a major one, is on the table for consideration:

1. Be sure the need for a decision is present and the timing is right to assure there are no unintentional consequences or that the repercussions of the decision do not create unexpected negative impact. Actively analyze the pros and cons of when the decision should be made to assure the best timing.

“Don't just make a decision for the sake of making a decision, but never procrastinate when one needs to be made...the art is knowing the difference.” – Warren Buffett

2. Always establish a deadline for the decision to either be made or re-considered.
3. Most of the time, it is impossible to have all of the information available for the “perfect” decision to be made. Try not to miss a decision deadline because there is not enough information. There is a fine line here but you never want to miss a critical decision deadline because you have “paralysis from analysis.”
4. After the decision is made, history will show that a new strategy resulting from that decision can be built in 48 hours and it will be 90% as good as one that it take 3 months to consider according to Microsoft's Bill Gates.

Consider if this is a tactical or strategic decision.

At what level should the primary recommendation for the decision come from? Has that group of people had adequate input and discussion prior to making their decision or recommendation? Input from the Team closest to the situation is very important both for gathering data and having ultimate buy-in.

Historically, the best decisions result from recommendations that come from the people closest to the situation.

Does the final decision maker have all of the information that is available from each team of people involved in the recommendation?

Has there been adequate input from people representing all sides of the decision? Understand the pros and cons for the decision to be made.

The final consideration is then made by the “decision maker.”



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The decision has now been made:

1. Key to a good decision-making process is the plan and strategy for communications.
 - A. It is important to communicate the decision to the people who offered recommendations, presenting a clear and respectful rationale for the decision with expressed appreciation for their input. This should be done, before the decision is announced, to all those who will be significantly impacted. Achieving unity behind the decision is key.
 - B. Present clear communication of the decision and the “public” rationale behind it to all people who will be affected by the decision. It is important to do this on a very timely basis so that no one directly impacted hears of the decision through the grapevine. Talk directly and in advance to key people who will be impacted by the decision.
 - C. **Have a strategy developed for those who will be impacted or will be conducting their role and business differently than before the decision. You don’t want to make a decision and have no plan to support it.**
2. There are three key “types of communications” coming from the front line or supervisors to the decision maker that lead to the recommendations that will be made to the decision maker during the decision-making process include:
 - A. Request for general information from the “Decision Maker” - a request for information and background to support their thought process for making the recommendation.
 - B. Request for consultation – from the “recommender” to the decision maker for needed clarifications on any topics that will help them in making the recommendation.
 - C. The recommendation itself to the decision maker.
3. Determine if the decision made can become the precedent to be incorporated in any existing or new process so that it is not necessary to have to conduct future decision making on the same topic. Can a precedent be set and incorporated into future decisions so that there is consistency within the organization?
4. A decision can be made to reconsider changing a previous decision based on changing situations, changing information or competitive market conditions etc. Decisions are made based on the best information at the time within a dynamic business environment. If the business conditions significantly change or the information that drove the decision significantly changes, there is nothing wrong with reconsidering the decision. Done properly it is actually a leadership strength.



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The parents of an excellent decision are:

1. A 360° communications plan.
2. A great implementation plan that occurs as close to when the decision is made as possible.



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