

Strategic Decision-Making and Action Planning Overview

The ability to effectively identify and make business decisions is critical in all businesses. A consistent and structured approach helps make the process easier and generates buy-in, especially when there are differences of opinion. If everyone understands the process, knows they'll be listened to, and believes the process is fair, they're much more likely to go along with the outcome (even if they disagree). An effective process helps the business:

- Identify and prioritize strategic questions.
- Constructively evaluate opportunities and diagnose or define problems.
- Assure different perspectives and ideas are heard and understood.
- Identify and assess potential solutions or strategies.
- Prioritize where to spend limited time and financial resources.
- Prepare related action plans, next steps, due dates and accountabilities.

While the team may not have made a conclusive decision after completing the process, the path forward will be clear.

After completing this guide, participants should:

- Identify high priority opportunities or challenges for strategic discussion.
- Use a structured approach to make a decision or solve a problem.
- Document goals and priorities.
- Inventory issues to defer or for later consideration.
- Create an action plan with accountabilities.

Strategic Decision-Making and Action Planning Overview

Before you start each strategic decision-making discussion, set the stage with the following:

Set Ground Rules: To ensure a productive and constructive discussion, confirm the ground rules for your discussion. Here are a few to start (adapt to what your team needs):

- Remove assumptions and focus on seeking clarity.
- Attempt to understand different perspectives.
- Seek compromise-based solutions (e.g. solutions where everyone may not agree, but everyone can live with the outcome).

Review the Process: Walk through the process you'll use to address the topic to assure everyone understands and knows it will be a balanced discussion.

Use the step-by-step process below and [template for strategic problem solving](#) to guide your discussion.

- 1. Identify the Topic:** If you don't already have a topic in mind, use the SWOT analysis to pick one. Have each person identify three items to discuss or make a decision about. Start with a topic picked by the most people. If there's a tie or everyone picked different topics, discuss differences and select one to start. If this is your first one, start with something manageable.
- 2. Define the Issue and Facts:** We have found most conflict in business decision-making comes from different perspectives about the problem itself, not in evaluating potential solutions. Take time to define (and write down) the question you're asking or problem you're trying to solve. Make sure the definition is clear enough that someone who wasn't in the room can understand. Once you've agreed on a definition of the problem, have each person share what they perceive the facts to be surrounding the issue. If there is disagreement surrounding the facts (and there commonly is) discuss the differences openly and seek to understand each other's perspectives.
- 3. Define the Optimal Outcomes:** Before looking at potential solutions, define your goals (or desired outcomes/results) for whatever decision you make. Goals and outcomes should not presume one specific solution but enable you to evaluate multiple potential solutions based on a consistent set of success criteria.
- 4. Identify and Prioritize Potential Solutions:** Have each member of the group write down 2-3 potential ways to address the issue or problem (each one is a potential solution). List all potential solutions and identify the top 2-4 to evaluate in more detail, referencing the optimal outcomes you already identified. If a member of the group feels strongly about a specific potential solution, add it to the 'short list' for further evaluation.

5. **Evaluate Potential Solutions:** For each prioritized potential solution, discuss the following, always keeping your optimal outcomes in mind:
 - a. Pros: What are the positive attributes of the potential solution?
 - b. Cons: What are the negative attributes of the potential solution?
6. **Make a Decision:** After evaluating the top potential solutions, discuss your options and decide from the following options.
 - a. Decision made (yes + strategy/plan)
 - i. Clearly outline the decision/direction from the list of potential solutions.
 - ii. Assign a point person who will take primary ownership going forward.
 - iii. Develop an action plan for next steps to carry out the decision.
 - b. More information needed (maybe)
 - i. Clearly define questions to answer/info to gather (and who will do it).
 - ii. Plan for when the group will review again and make a decision.
 - iii. IMPORTANT: Make sure to identify what information you'll need to make a conclusive decision – avoid perpetual 'kick-the-can.'
 - c. De-prioritize (no)
 - i. Clearly define reasoning for why the topic/decision is not a priority and you're not taking action (i.e. will not work, too much time/\$\$ for the return, etc.).

Action Plans

Once you've made a decision, a formal action plan provides clarity about how you'll carry out the decision. Action plans include the following: 1) a definition of the decision or goal, 2) the primary steps or milestones to achieve the goal, 3) the individual or individuals responsible for each step, 4) a specific date to achieve each step, and 5) notes that may be helpful to document the discussion. A simple table like the following can be utilized to capture action plan details.

Goal Description			
Action Steps	Champion	Due Date	Notes
1.			
2.			
3.			
4.			
5.			
6.			

The strategic plan, goals and action plans should be reviewed at least quarterly and adjusted as needed.

Group Discussion Guide

Including all family members vested in the business in this discussion is important to ensure transparency, understanding all perspectives and maintaining relationships.

Prepare Participants

- Schedule a dedicated time (1-2 hours depending on the group size) for a focused discussion.
- Provide this [Strategic Decisions and Action Planning guide](#) to all participants.
- Recommended listening prior to discussion: [Strategic Decisions and Action Planning Audio File](#).

Define Roles

- Identify a facilitator to keep the group focused and moving through the discussion.
- Designate one person to take 'official' notes, documenting the discussion.
- Review the meeting ground rules and verify agreement or possible changes.

Instructions

- Use the [Strategic Decisions and Action Planning Template](#) to accomplish the following:
 - Poll the group to assess priorities and identify the top one to three weaknesses, opportunities and threats from your SWOT analysis.
 - Select a decision-making approach and discuss each choice or issue identified.
 - Develop goals and an action plans.

Recommended Next Steps:

- Summarize and confirm the action plan, next steps, due dates and accountabilities.
- Prepare the final copy of the Strategic Business Plan for distribution to all participants (see [Sample Business Plan Template](#)).
- Determine a timeline to review the action plans and share progress reports.
- Schedule an annual meeting to review the business plan, make updates and identify new priorities.

Please share your feedback!

[Click here](#) to complete a short two-minute evaluation of this business resources.