

Four Steps for Making the Difficult Decisions

BY [SOREN EILERTSEN](#)



The basis of organizational excellence stems from turning work into repeatable processes and from creating transparent communications that allow people to productively engage. Yet, when it comes to decision making, many executives look at each opportunity, question, or issue as a one-time endeavor without considering and developing a structured approach.

Most senior management groups have few problems making ongoing operational decisions, but they have a difficult time with more transformative strategic decisions—what can be called the “tough” calls. These include decisions around evolving the vision of the business, altering the underlying business model, as well as dealing with strategic trade-offs related to investment in market factors and growth.

The lack of strategic decision making occurs because companies still largely rely on the single visionary (and often autocratic leader) to continually propel the business. There are inherent problems with this model—even for a single leader. The individual at the helm often has blind spots around some issues or might simply tend to avoid difficult decisions. The leader’s challenge may also stem from the complexity of aligning multiple stakeholder groups such as founders, board of directors, board committees, and senior management. Without a clear process, differences in intentions and political silos can quickly bog down the important issues that should be addressed and resolved.

Decision-making process steps

Learning to make the key strategic decisions in a more deliberate and transparent manner is possible for leaders who adopt a process-oriented mindset that consists of four steps. They include:

1. *Set focus:* Clarify the issue or question for exploration and then clarify why a decision around this question has urgency. Determine how the decision will be made and who should be involved. Then map the steps described below on a timeline and assign a champion who will be accountable for the process.
2. *Gather facts:* Document what is known and what needs to be discovered prior to moving forward. This typically requires fundamental research to uncover facts from relevant domains. Make sure to separate facts and assumptions and clearly label each artifact. Also, determine the future scenarios or constraints that could have an impact on the decision.
3. *Discover options:* Now consider what implications can be derived from the facts and assumptions as well as the established planning scenario. Design a creative exploration journey that brings a deep understanding of alternative solutions. The nature of the issue will determine the design of this journey. Some solutions may be found through “best practice” research, but many solutions are not visible from one’s current vantage point. Discovering transformative options involves a creative journey that needs to be carefully designed and protected. Key strategic decisions involve change, which quickly can develop internal opposition. At the end of this step, consider the pros and cons as well as the contingencies of each alternative option.
4. *Make decisions:* Evaluate the options and use the decision criteria (established at step 1) to clarify scoring of each alternative. Determine the readiness for making a decision. Remember, a “no” is a decision. It is also acceptable to put a decision on hold. However, be careful not to do so because of lack of research and options. If there is a lack of research and options, go back to a prior step in the process. When a decision is made, document it and ensure that all stakeholders are aligned.

Decision-making best practices

If the final decision-making individual or body isn’t part of the taskforce assigned to the issue, it is important to keep the appropriate individuals and/or stakeholders updated throughout the process steps and to present them with options, including final recommendation. The decision-making steps can be applied for quick resolutions in a meeting or used with a variety of timelines from a day to a year. To make it work, take one step at a time and ensure that all participants know how and when to participate. Without this knowledge, groups tend to jump in discussions and move to solutions before understanding the issue fully. Make sure to take a break between each step to decompress. This works best when there are days or a week between the steps, but the break can be as short as a few minutes or as long as months. When the group reconvenes, validate the process and agree whether the team is ready to move forward or needs to go back to a prior step.

Once a company adopts a process for making decisions, consider the value of generating a roadmap of the key strategic issues that should be explored for potential decision-making over the next three, six, or twelve months. A roadmap spells out the timeline and periods for

discussion of each decision. It also enables everyone participating to contribute and helps those on the sidelines to understand how decisions are made. Each decision step (above) is illustrated in a time period. As a result, the roadmap becomes the ultimate looking glass for stakeholders into the strategic decision making of the organization.

It should not be a “tough” call to engage in a strategic decision-making process. Companies that apply a simple process-oriented practice dramatically improve decision making in terms of timeliness, support, and quality, leading to positive outcomes for the business.



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About The Author

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