Hi. This is Wayne Rivers at The Family Business Institute. Thanks for tuning in. Please click on our social media icons and let us have the benefit of your comments. We love to know what our listeners are thinking about what we're doing.

So, corollary to our blog last week, we want to talk this week about planning to make decisions. And this is important because it sounds foolish, but so many times our clients make a decision, they decide not to decide. Now this might not be a conscious decision, but they come to meetings and they talk, talk, talk, and then no conclusions are arrived at. And people leave the meeting wonder, "Why were we meeting? Why were we talking?" Unclear about what needs to happen following onto the meeting, et cetera.

So, this week, I want to give you five concrete action steps you can use to make sure that your meetings product decisions and actionable activities. The first thing is... This is how you decide, five simple steps. The first is decide what steps you need to talk. So maybe you can't arrive at a conclusion in one meeting because somebody needs to do research. You need to research a piece of equipment, how we're going to finance thing, et cetera, et cetera. So, break down the decisions into the steps that need to be taken. That's number one.

Number two, what decisions do you need to arrive at each step? Incremental decision making leads to big decision making. Baby steps, right? So ,what steps do we need to take and then what decisions do we need to make to drive each step forward so we can get to a bigger decision?

The third thing is when we will we decide? A deadline for making a decision. So, if some research needs to take place, some discussions outside of the meeting room need to take place, okay, fine. Are we going to make a decision next week, this month? When is it going to be? Have a deadline for making decisions, and that will eliminate so much confusion and this disconnect that comes out of meetings.

The fourth thing is decide who will decide. Now this is tricky in a family business because the emotions get brought into the meeting room, and some people agree and some people disagree. When they disagree, sometimes it becomes quite emotional. So, here's how we're going to decide who will decide. Does someone in the group have the individual authority to make the decision? If so, make it. If it's a $50 decision, for gosh sake, that doesn't need to embroil the entire leadership and family of the business. Holy moly, that's foolish. Does one individual have the authority to make that decision? If he/she does, fine. Let them make it.

If that's not the case then and it's a group decision, we have to think about it differently. Are we going to make the decision based on a simple majority, are we going to require a super majority to make sure that we're moving in a fair and equitable manner, and maybe sometimes we even need a unanimous decision. If it's a huge decision, like do we sell some or all of the family business, maybe we need a unanimous decision before we go forward. But when we're thinking about who's going to decide, is it an individual decision or is it a group decision, and if it's a group decision, is it simple majority, super majority, or unanimous. That will help you break through the clutter of who's going to make the decision.

Finally, almost the most... I'd say probably the most important step. How are we going to decide? What are our decision criteria? For example, we're going to go out and buy a new piece of equipment. Can we pay cash for the equipment? Should we finance the equipment? What vendor are we going to use? When are we going to schedule demonstrations? What is our ROI? How are we going to calculate the return on investment? What's the impact on the field or the plant? What impact is there going to be on our existing processes? Will we have to adopt new maintenance procedures? So, all those things become part of your criteria, and maybe you even weight them. Maybe vendor has a higher weight because you have a relationship with one vendor or another.

So, individual criteria for how you're going to decide. What are the things that actually are going to cause us to make a go or a no go decision? And this is important because so many times emotion gets into this decision making. We talked about the elephant and the rider in a blog. The elephant... when you see a person riding an elephant, you think that rider is control. But by gosh, if that elephant decides to go in a different direction, I don't care if it's the strongest man in the world. There's no way that that rider is going to be able to get that elephant to stop rampaging in a different direction. And that's our emotions. Our emotions can get ahead of us, and once the emotions blow up, so to speak, it becomes very hard to guide decisions being made.

The idea by coming up with objective criteria is that we make these passionate decisions. We suck some of the emotion out of the decision making process, and we make a rational business like decision instead of making decision by feel, which is the way most things get done in family businesses.

Those are your five criteria. Making decisions is the life blood of an entrepreneurial company. Use the criteria and you'll find yourself making better and faster decisions in your family business. This is Wayne Rivers. Thank you.