

# Policy Type: Governance Process

## Policy Title: Board Decision-Making Model

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Board members are expected to devote adequate time to ensure the mandate of the organization can be fulfilled as needed. Business is conducted in such a way as to support and advance the mission and strategic goals of the organization and Board members agree that they will not support activities that appear to detract from the overall strategic goals.

Wherever possible, the Board will conduct its business on a consensus-based model and will concentrate on Strategic Decisions with some input on Tactical Decisions.

Consensus is agreement, but not necessarily complete agreement. It is an outcome which all or most members can support, and few or no members totally oppose. When the Board achieves general agreement, no one is likely to be completely satisfied, but everyone accepts the group's prevailing view.

- Consensus is a process in which everyone has their input.
- Divergent views are fully addressed and resolved by the Board.
- A satisfactory level of individual opinion emerges in the search for general agreement.
- A consensus decision is one that all team members can **support**.
- The end product is a decision having widespread acceptance and support for implementation.
- The Board must be motivated to see the decision through to completion.

**Strategic Decisions.** *These affect the long-term direction of the organization. Strategic decisions are the highest level. Here a decision concerns general direction, long term goals, philosophies, and values. These decisions are the least structured and most imaginative; they are the riskiest and of the most uncertain outcome, partly because they reach so far into the future and partly because they are of such importance.*

**Tactical Decisions.** *Tactical decisions support the strategic decisions. They tend to be medium range, medium significance, with moderate consequences. These are medium-term decisions about how to implement strategy ex: what kind of marketing to have, or how many extra staff to recruit.*

**Operational Decisions.** *These are everyday decisions, used to support the tactical decisions. They are often made with little thought and are structured. Their impact is immediate, short term, short range, and typically low cost. The consequences of a bad operational decision will be minimal, although a series of bad operational decisions can cause harm. These are short-term decisions (also called administrative decisions) about how to implement the tactics ex: which firm to use to make deliveries.*

### **Levels of Decision-Making:**

