

FIGURE 5: DECISION-MAKING OPT

DECISION-MAKING OPTION	KEY ADVANTAGES/ REASONS FOR USING THIS METHOD
<b>Unilateral Decision</b>	<ul style="list-style-type: none"> <li>• Quick, clear, and efficient</li> <li>• Decision-maker gets what he or she wants</li> </ul>
<b>Unilateral Decision, With Input from Individuals</b>	<ul style="list-style-type: none"> <li>• Typically high buy-in from those whose opinions were sought</li> <li>• Allows board to share leadership, but still get things done relatively quickly</li> <li>• Preserves privacy for sensitive matters</li> </ul>
<b>Unilateral Decision, With Input from the Whole Group</b>	<ul style="list-style-type: none"> <li>• Decision-maker gets a great deal of information in short time period</li> <li>• Likelihood of increased buy-in from those whose input is acted on</li> <li>• All board members get to hear ideas directly from one another and not filtered through third party</li> </ul>
<b>Board Delegates to Sub-Group with Guidelines</b>	<ul style="list-style-type: none"> <li>• Transfers authority and leadership to small group of the most informed people</li> <li>• Frees other board members for different tasks</li> <li>• Those making the decision usually have a high level of buy-in</li> </ul>
<b>Board Votes</b>	<ul style="list-style-type: none"> <li>• May be mandated by bylaws for certain decisions</li> <li>• Board members are likely to be comfortable voting because it is familiar</li> <li>• Votes produce a definite outcome, include everyone, and may be more likely to feel “fair” to all involved</li> </ul>
<b>Board Reaches Consensus</b>	<ul style="list-style-type: none"> <li>• May be required by the foundation’s bylaws for important decisions</li> <li>• Discussions leading up to a consensus decision can lead to shared understanding of what the board is trying to accomplish</li> <li>• Typically results in very high buy-in, and enthusiasm from the whole group</li> <li>• Implementation may proceed more quickly and smoothly as a result</li> </ul>

**IONS FOR FAMILY PHILANTHROPY**

<b>POTENTIAL DISADVANTAGES OR DANGERS OF USING THIS METHOD</b>	<b>SITUATIONS WHERE THIS METHOD MAY BE APPROPRIATE</b>
<ul style="list-style-type: none"> <li>• Decision sometimes made with insufficient information</li> <li>• Little buy-in to decision from other board members</li> <li>• Decision more likely to be scrutinized and challenged by other board members</li> </ul>	<ul style="list-style-type: none"> <li>• Grant, governance, or management decisions that are clear and uncontroversial</li> <li>• Disaster or emergency grantmaking</li> <li>• Decisions that need to be made under very short timeframe</li> <li>• Trivial decisions</li> </ul>
<ul style="list-style-type: none"> <li>• May yield decision that gets undermined in the future by those not consulted</li> <li>• Risk of those who are not included feeling left out</li> <li>• Those consulted may not best represent the views of the majority</li> </ul>	<ul style="list-style-type: none"> <li>• Staff compensation review</li> <li>• Discretionary grant review</li> <li>• Reviewing spending policy</li> </ul>
<ul style="list-style-type: none"> <li>• May be hard to convene full group</li> <li>• May be difficult to have a fair conversation unless a facilitator is present</li> <li>• Creates likelihood that final decision may go against someone’s publicly expressed point of view</li> </ul>	<ul style="list-style-type: none"> <li>• Disaster or emergency grantmaking (i.e., via conference call)</li> <li>• Decisions where everyone on the board has some information or expertise to offer</li> <li>• When the decision-maker has a lot of control but needs information (e.g. how much to contribute annually to the foundation)</li> <li>• May be “Fallback” method for other options</li> </ul>
<ul style="list-style-type: none"> <li>• Poor delegation can result in frustration for all—if the guidelines are unclear or inaccurate</li> <li>• Extent of subgroup’s authority must be made clear</li> <li>• If inaccurate guidelines given, decision may not be viable</li> <li>• The people not chosen for the sub-group may be resentful</li> </ul>	<ul style="list-style-type: none"> <li>• Setting board terms and limits</li> <li>• Creating trustee qualifications</li> <li>• Creating or altering spending policy</li> <li>• Many committee decisions</li> </ul>
<ul style="list-style-type: none"> <li>• Creates “winners” and “losers”</li> <li>• Close votes indicate that winning proposal doesn’t have full support</li> <li>• Vote can be empty gesture if board member who is on losing side is critical to implementation</li> <li>• Votes sometimes taken with insufficient discussion beforehand</li> </ul>	<ul style="list-style-type: none"> <li>• Typically necessary for certain decisions mandated by bylaws</li> <li>• Inviting new family trustees</li> <li>• May be “Fallback” method for other options, particularly Consensus</li> </ul>
<ul style="list-style-type: none"> <li>• May be difficult or impossible to reach consensus if the issues under discussion are complex or heated</li> <li>• May result in “lowest common denominator decision-making,” where no one is satisfied with the outcome, and decision contains bare minimum requirements for people to agree</li> <li>• Trustees may agree just to get process over with, and then express dissent afterwards when it comes time to implement.</li> </ul>	<ul style="list-style-type: none"> <li>• Decision to suspend grantmaking or dissolve the foundation</li> <li>• Decisions where a high level of involvement and buy-in are sought:             <ul style="list-style-type: none"> <li>* Hiring/firing Executive Director</li> <li>* Creating an annual report or website (i.e., deciding to establish a public presence)</li> <li>* Revising mission and guidelines</li> <li>* Inviting nonfamily to serve on board</li> </ul> </li> </ul>