



BUILD WHAT LASTS
AgStrat Strategic Solutions

Who Gets to Decide?

5 questions for building enough process and structure to help your organization grow - without making it harder to run

When an organization is small, process can feel unnecessary. Everybody knows everybody. If someone has a question, they ask the owner. If a decision needs made, the right people talk about it. If something goes wrong, somebody figures it out. That can work surprisingly well. **Until it doesn't.**

As a business, farm, nonprofit, church, or association grows, informal ways of working start reaching their limits. People begin asking: **Who is supposed to make this decision? Do I need permission? Why are we discussing this again? Why does everything still have to go through one person?** The answer is not necessarily more policies, committees, or meetings. It is developing **enough process and governance for the organization you have become.**

1 Know which things actually need a process

Not everything needs a written procedure. Start with things that are repeated frequently, important to customers, expensive when done incorrectly, likely to create confusion, dependent on knowledge held by one person, or important enough that consistency matters. If your best employee is the only person who knows how something gets done, you do not really have a process. **You have a person everyone depends on.** The purpose of process is not paperwork. It is to make good performance repeatable.

ASK YOURSELF: Where are we repeatedly solving the same problem, answering the same question, or relying on the same person to know what to do?

2 Make it clear who owns the decision

A surprising amount of frustration comes from one problem: **nobody knows who gets to decide.** Three people may think they have authority, everyone may assume somebody else owns it, or a manager may technically have authority while everyone knows the founder can override the decision at any moment. For important areas, people should understand: Who owns this? What can they decide on their own? When do they need input? When does something need to move up? Ownership does not mean deciding alone, but eventually someone must be responsible for saying, **'We have heard the perspectives. Here is what we are doing.'**

ASK YOURSELF: Where in our organization would two reasonable people give different answers if asked, 'Who gets to make that decision?'

3 Match the decision process to the size of the decision

A \$500 decision and a \$500,000 decision probably should not require the same process. Neither should hiring a seasonal employee and hiring the next CEO. Some decisions should happen quickly at the front line. Some belong to managers. Some require the owner, CEO, or board. Too little governance lets major decisions happen casually. Too much governance makes capable people seek three approvals to solve a \$200 problem. **The bigger the consequence, the more deliberate the decision process should become.**

ASK YOURSELF: Are we spending too much time approving small decisions - or too little time thinking through decisions that could materially affect the organization?



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4 Do not confuse input with authority

This matters especially in family businesses, partnerships, nonprofits, churches, and associations. A lot of people may deserve to be **heard**. That does not mean everyone gets a vote. Employees can provide input without making the final decision. A board can establish direction without managing daily operations. A founder can own the business without making every operational decision. Healthy governance separates three questions: **Who should be heard? Who should recommend? Who ultimately decides?** When those are unclear, organizations either become overly centralized or drift toward decision-making by committee.

ASK YOURSELF: Have we clearly separated the people who should have input from the person who ultimately owns the decision?

5 Build structure for the organization you are becoming

A five-person company should not operate like a Fortune 500 corporation. But a 50-person company probably should not operate like five people working out of a garage either. The same is true for a growing farm, church, nonprofit, or association. Something that worked when everyone fit around one table may stop working when there are managers, departments, locations, a board, or another generation entering leadership. That does not mean the old way was wrong. **The organization simply outgrew it.** Good organizations do not simply add process. They continually right-size it.

ASK YOURSELF: Are we operating with the structure our organization needs today - or the structure that worked several years ago?

The Goal Is Neither Control nor Chaos

There are two easy extremes. On one side, **'Just use common sense.'** Everything stays informal, knowledge remains in people's heads, authority is unclear, and decisions keep flowing back to the founder. On the other side, **'We need a policy for that.'** More forms, approvals, meetings, committees, and rules eventually make people afraid to use judgment.

TOO LITTLE STRUCTURE	RIGHT-SIZED STRUCTURE	TOO MUCH STRUCTURE
Chaos Unclear ownership Repeated mistakes Founder bottlenecks	Clarity Clear ownership Appropriate authority Decisions at the right level	Bureaucracy Too many approvals Too many meetings Slow decisions

Good structure should create clarity without creating bureaucracy.

The goal is a system where capable people understand what they are trying to accomplish, what good work looks like, what they own, what they can decide, when they need help, and which decisions deserve a different level of consideration.

THE RIGHT-SIZED STRUCTURE TEST

PROCESS - What needs to be repeatable? Have we documented the few things where consistency really matters?

OWNERSHIP - Who owns what? Is there one person clearly accountable for the important areas of the organization?

AUTHORITY - What can they decide? Have we given people enough authority to actually carry the responsibility assigned to them?

GOVERNANCE - What deserves greater consideration? Do bigger, riskier, or more consequential decisions receive appropriately greater oversight?

SIMPLICITY - Is the structure helping? Does our process make good decisions and good work easier - or has the process itself become work?

The objective is not sophistication. It is an organization that knows how to operate without unnecessarily depending on a few people to hold everything together.

BUILD WHAT LASTS

AgStrat helps founders, farms, family businesses, nonprofits, and organizations build the leadership, accountability, decision-making structures, and practical systems needed for the next stage of growth and transition.

Good structure should create clarity without creating bureaucracy.

To begin a conversation about right-sizing the structure, leadership, or decision-making of your organization, contact AgStrat at virgil@agstratsolutions.com.

Leadership | Culture | Stewardship | Structure | Legacy