

Approval Is Not Readiness

A pre-approval standard for commitments the organization cannot afford to renegotiate later

BOTTOM LINE

You can approve the right strategy and still authorize an initiative the organization is not ready to execute. The gap usually appears later, after capital has moved, expectations have been set, teams have reorganized around the decision, and reversal has become materially more expensive. By then, what presents as an execution failure may actually be an approval-quality failure: the organization committed while critical dependencies and decision-sensitive assumptions were still unresolved.

The answer is not a longer approval process. It is a readiness gate before consequential commitment. Apply it when a decision creates material financial exposure, significant cross-functional dependency, an external commitment, or a materially higher cost of reversal after approval. Require four questions to be closed with evidence, and classify every material issue as Closed, Accepted Risk, or Not Ready.

Authorization and readiness are different

Most executive governance is designed to determine whether an initiative deserves approval. The business case establishes strategic value. Finance tests the economics. Risk, legal, technology, operations, HR, procurement, or other functions enter where needed. A sponsor owns the recommendation, and the appropriate executive or governing body decides whether to proceed.

That system is necessary. It does not always establish readiness.

A proposal can meet every formal requirement and still depend on conditions the organization has not actually secured. Technology capacity may exist in the architecture but not on the delivery calendar. The economic case may depend on staffing flexibility that operating units cannot provide. A transformation may require adoption from a function that supports the strategy but cannot absorb the proposed sequence. A launch may rely on data quality, vendor capacity, regulatory clearance, specialist expertise, or local execution capability that nobody has yet validated.

The decision may still be strategically correct. The problem is committing to it as though those conditions were already facts.

Decision authority establishes who may say yes. Organizational readiness establishes whether that yes can survive contact with the operating system.

Readiness does not mean certainty, unanimity, or consensus. Every affected function does not receive a veto, and every objection does not need to disappear. It means the material execution conditions are visible, the assumptions capable of changing the decision have been tested, the remaining uncertainty has an owner, and the approving authority knows what risk it is consciously accepting.

That is the standard a consequential commitment should meet before it becomes expensive to change.

Put a readiness gate in front of consequential commitments

Do not apply the gate to routine decisions. Trigger it when one or more of four conditions are present: the decision creates material financial commitment; it depends materially on multiple functions; it creates an external commitment to customers, employees, investors, regulators, or partners; or the cost of reversal rises substantially once approval is given.

Each organization should define its own monetary threshold, but the principle should be codified so that gate applicability is not renegotiated proposal by proposal.

The executive sponsor owns the readiness conclusion. A chief of staff, PMO, transformation office, strategy team, or governance function may administer the process and verify that required evidence is present. They do not inherit the sponsor's accountability.

The underlying facts may be validated elsewhere. A functional leader, technical specialist, regulatory owner, operating executive, or other qualified authority may be the person capable of establishing whether a dependency or assumption is credible. That distinction matters: the sponsor certifies readiness; the qualified validator establishes the fact.

Run the gate after the proposal is developed enough to test, but before final approval and before the organization crosses an expensive or difficult-to-reverse commitment point.

Every material issue receives one of three dispositions:

CLOSED	ACCEPTED RISK	NOT READY
Sufficient evidence exists to rely on the condition or assumption.	Uncertainty remains, but the exposure is understood and consciously accepted.	A material issue lacks sufficient evidence and has not been accepted as risk.

There is no fourth category called “discussed.”

The gate consists of four questions.

1. What must still be true after approval for the result to exist?

Identify the few execution conditions without which the approved outcome cannot be produced. These may include system readiness, staffing, funding, supplier capability, regulatory clearance, data quality, capacity, training, process adoption, operating discipline, or another dependency specific to the initiative.

Close the question with a named condition, its current state, the validating owner, and the evidence supporting the conclusion. “Operations has been consulted” and “Technology is aligned” are participation statements, not evidence.

The purpose is not to map every possible dependency. It is to isolate the few conditions whose failure would materially alter timing, economics, scope, risk, or feasibility.

2. Which assumptions would materially change the decision if they proved wrong?

Most assumptions do not deserve executive attention. Isolate the ones capable of changing economics, timing, scope, feasibility, customer impact, risk, or the strategic recommendation itself. Then test them against current operating evidence.

A number is not validated because it appears in a model. A staffing assumption is not credible because nobody objected. A delivery date is not established because it appears in a project plan. If an assumption can materially change the decision, it should not enter the approval room disguised as a fact.

3. Who actually knows whether each material assumption is valid?

Attach a named person or accountable role to every critical dependency and decision-sensitive assumption. The validator should possess the relevant operating control, data, technical expertise, regulatory authority, or direct knowledge required to establish credibility.

If nobody can be named, the assumption is not ready for executive reliance. “The team believes,” “we expect,” “it should be manageable,” and “no one has raised a concern” describe confidence, not validation. When no credible validator exists, the default disposition is Not Ready until evidence is obtained or the approving authority explicitly converts the uncertainty to Accepted Risk.

That distinction matters because many later execution failures were visible earlier only as assumptions without an accountable source of truth.

4. What becomes harder or more expensive to change once we commit?

Identify the point after which correction becomes materially more difficult: contract execution, public announcement, customer communication, capital release, system build, hiring, restructuring, inventory commitment, site activity, or the point at which multiple functions begin scheduling around the promise.

Separate what must be resolved before that point from what can reasonably remain uncertain afterward. This is what protects decision speed. You are not trying to eliminate every unknown; you are identifying the ones that become disproportionately expensive if discovered too late.

Evidence bar. A material issue should normally be closed by current operating data, demonstrated or committed capacity, validation from the qualified functional or technical authority, or documented acceptance of unresolved uncertainty by the approving authority. Anything weaker should remain visible as uncertainty.

Make the gate produce a document

The readiness gate should result in a one-page Readiness Certification attached to the approval packet.

The certification should contain six fields: the material dependency or decision-sensitive assumption; the named validating owner; the evidence relied upon; the disposition of Closed, Accepted Risk, or Not Ready; the point at which reversal becomes materially more expensive; and any follow-up required after approval.

The executive sponsor signs the certification.

This matters because a gate without an artifact can become another useful conversation that disappears when the meeting ends. The certification creates a durable record of what the organization knew, what it consciously accepted, and what remained unresolved at the moment of commitment.

It also gives the execution team something operational to inherit.

Dependency / assumption	Validator	Evidence	Disposition	Commitment point	Follow-up
Required	Required	Required	Required	Required	Required

Carry accepted uncertainty into execution

Approval should not erase the gate. It should transfer the relevant parts of it into execution.

Closed items require no special treatment unless circumstances change. Accepted Risk items move into active execution monitoring with a named owner, an agreed trigger for escalation, and a defined review point. Not Ready items block commitment unless the approving authority explicitly converts them to Accepted Risk and accepts the consequences of proceeding.

That prevents Accepted Risk from becoming a parking place for uncertainty.

It also improves accountability when performance later slips. Do not begin only with, “Who failed to execute?” Ask whether the failed condition was material, knowable, and testable before approval. If it was and the organization never tested it, part of the failure sits upstream in decision preparation. If it was explicitly accepted, the question becomes whether the risk was monitored and managed as agreed. If it was genuinely unknowable, then the failure belongs where it should: in execution response.

A strong approval process does not eliminate uncertainty. It makes material uncertainty explicit, owned, and traceable before commitment.

Treat friction as evidence before you treat it as opposition

When a function challenges timing, staffing, economics, system capacity, control requirements, or implementation sequence, first test whether the objection is exposing a dependency the proposal has not absorbed.

Most organizational friction has ordinary explanations. Capacity is finite. Other commitments already exist. Controls have legitimate purposes. Economics may be weaker than expected. A business unit can support the strategy and still be unable to execute the proposed sequence. The operating discipline is to test what is observable before assigning a political explanation.

If the dependency is real, redesign around it or accept the risk consciously. If the evidence does not support the objection, move forward.

The standard is not consensus. It is distinguishing friction that can be overridden from friction that is telling you something material about executability.

Know when the gate is unnecessary

Sometimes existing governance already contains everything material. The sponsor controls the relevant dependencies, the critical assumptions have been tested by qualified people, implementation capacity is known, and the normal approval process has surfaced the consequential execution risks.

In that case, do not add process for its own sake. Decide and execute.

The readiness gate exists to prevent consequential commitments from resting on assumptions nobody has closed. It is not a license to complicate routine work, search for hidden politics, or require universal agreement before action.

The decision

Adopt the four-question readiness gate for commitments above your defined materiality or irreversibility threshold. Require every material dependency and decision-sensitive assumption to be classified Closed, Accepted Risk, or Not Ready, and attach a one-page Readiness Certification to the approval packet.

Then test the standard against your own operating history. Take the last three approved initiatives that materially slipped, missed their original execution assumptions, or required executive renegotiation. Reconstruct what was known at approval and run the gate retrospectively.

If it would have exposed the failure before commitment, you have the evidence to make it part of how your organization decides.