

2022

# Course Objectives

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***WHY SHOULD YOU USE A DECISION-MAKING  
FRAMEWORK TO HELP YOU MAKE MORE EFFICIENT  
AND BETTER DECISIONS?***

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Ibarra & Associates

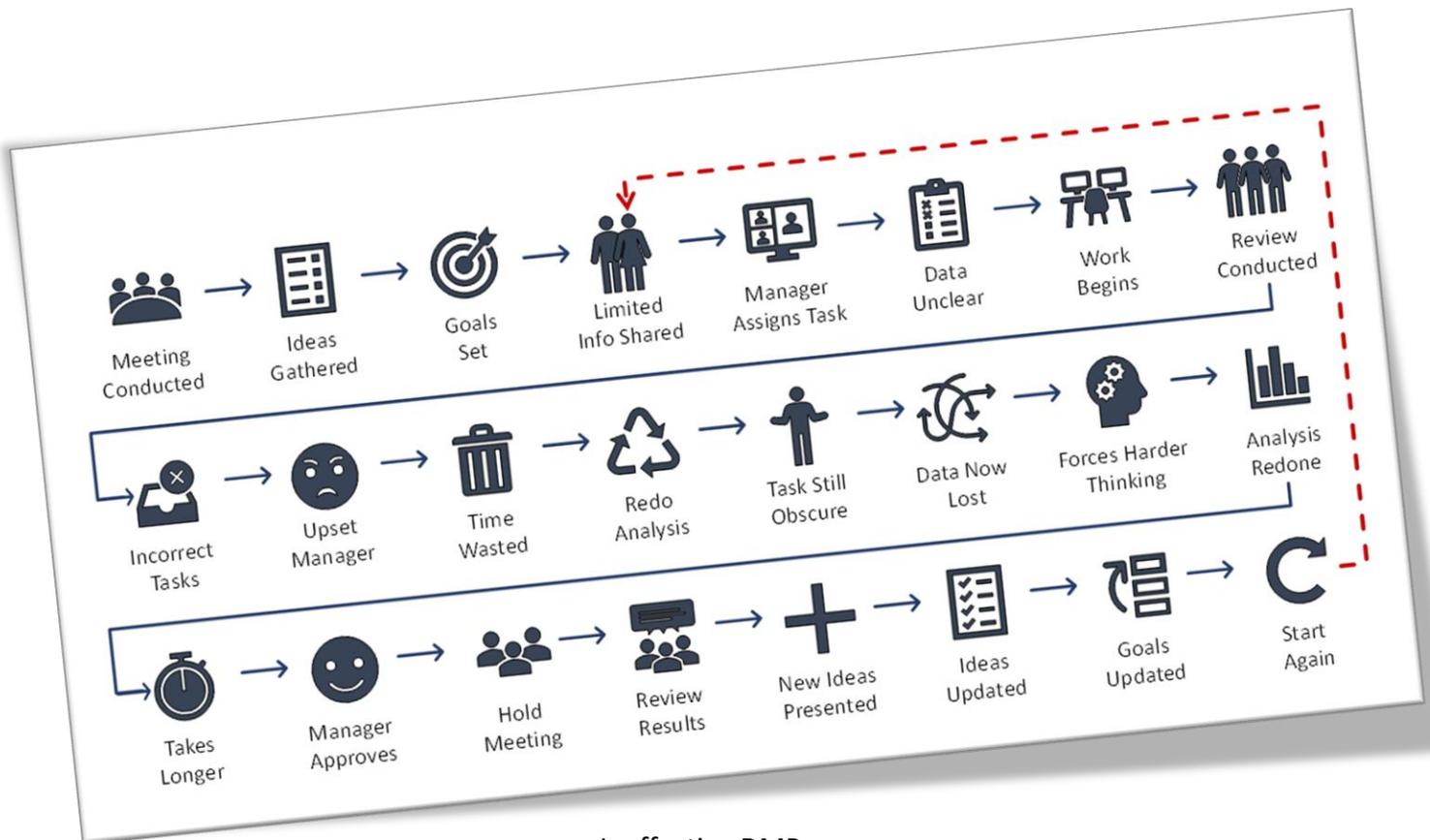
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## WHY SHOULD YOU USE A DECISION-MAKING FRAMEWORK TO HELP YOU MAKE MORE EFFICIENT AND BETTER DECISIONS?

There are instances where a company that made a decision **feels they might have made the wrong one**. This is because of the repercussions they get after they decided.

There are also times when multiple stakeholders try to influence one another on the alternative that suits them the best. **As a result of this power struggle, the decision usually comes down to the one with the loudest voice, best argument (not being right though), and or who has the most support.**

Lastly, there is the **opportunity costs for having an inefficient decision-making process (DMP)**. A company begins with the best intentions in mind, they hold meetings and set goals, and through their DMP, end up reestablishing goals and priorities. It's a cycle of continued meetings, new goals, and unfortunately, more cost. See sketch of ineffective process.



Ineffective DMP



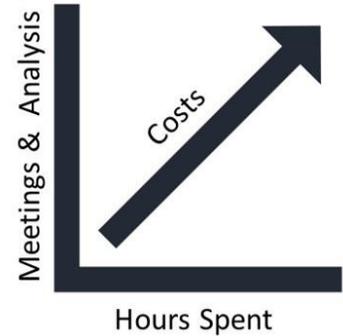
The cost in terms of time is easy to see in the DMP. Poor requirements and changes to the goals are some of the more significant items that impact the efficiency of the DMP. Every iteration in the DMP cycle adds time. The more meetings conducted and analysis done, the more hours spent by team members, and ultimately the more costs the company incurs. See illustration.

Every step added in the DMP is cost added

Cost goes up with every iteration of the cycle

Changes in goals inflates costs

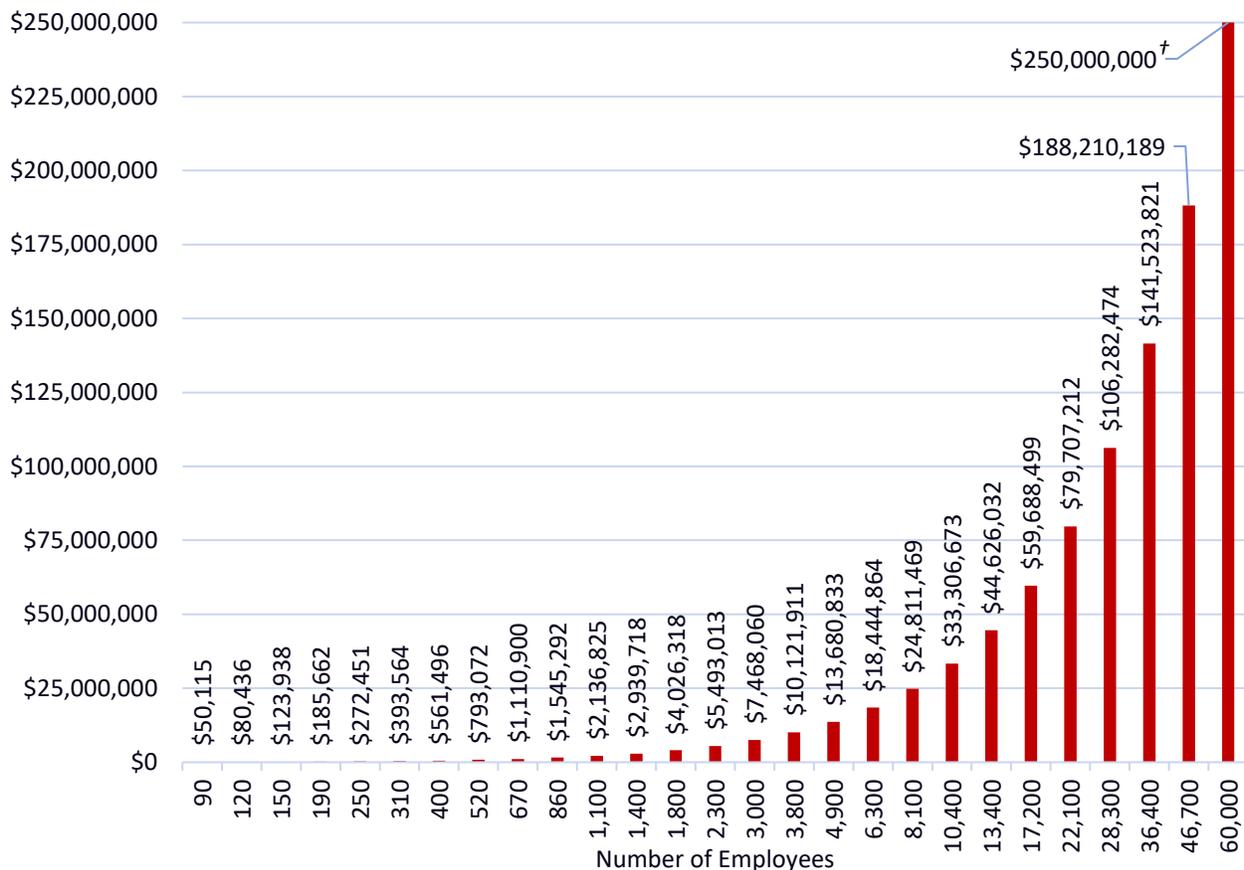
Lack of direction leads to even greater cost



Reasons for Incurred Cost

So, what are the costs? Staggering! A typical Fortune 500 company incurs approximately \$250M in opportunity costs per year. In fact, a company with 90 employees incurs over \$50K per year, let alone if they made the right decision. See chart.

*Inefficient DMP Annual Cost Curve Based On No.# of Employees*



<sup>t</sup>De Smet, Aaron, Gregor Jost, and Leigh Weiss. "Three Keys to Faster, Better Decisions." McKinsey & Company. Last modified May 1, 2019. <https://www.mckinsey.com/business-functions/organization/our-insights/three-keys-to-faster-better-decisions>.



In either of the three cases, wrong or motivated decisions, or an inefficient decision-making process, the decisions made were more than likely not the most effective ones. This is because a decision-making framework with a system view and non-confrontational aspect of the problem, and a codified process, was not used.

If you are in the midst of trying to choose between several alternatives, and would like help choosing the more effective one in the most efficient manner, I have the answer. I developed a decision-making framework that is repeatable, reliable, and consistent. It helps companies decide by:

1. Getting the decision makers on the same page
2. Considering the alternatives from a system's perspective
3. Making it such that the most viable choice is selected

In my workshop, I can teach you how to:

- ✓ Understand our decision-making process
- ✓ Recognize why we might make bad decisions
- ✓ Learn how to anticipate and correct bad decisions
- ✓ Reduce your risk of decisions you must make
- ✓ Codify your decision-making process
- ✓ Shorten the time it takes your company to decide

**Contact me today** at [gi@gerardibarra.com](mailto:gi@gerardibarra.com) for a free consultation and learn how you can reduce your cost and risk, and make better decisions!

