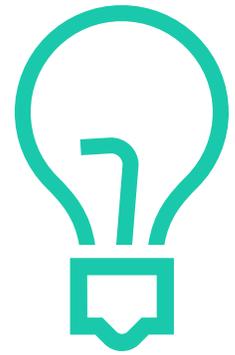abbvie

Fit-for-Purpose Decision-Making
a Guide for Individuals

A resource to help employees make better decisions, faster.

Introduction

Welcome!

The context and environment we operate in today is rapidly becoming increasingly complex and uncertain. This growing complexity, coupled with the proliferation of data and never-ending digital communications, is proving to be a recipe for slow decision-making. To meet today's demands and ensure we continue to lead and drive innovation in our industry, we need to challenge ourselves to become better at not only making quality decisions, but making them **faster**.

This comprehensive guide is designed to enable you to learn what you can do to activate decision speed across the enterprise. The Fit-for-Purpose Decision-Making Guiding Principles and tools are leading, research-based practices that are proven to improve decision agility in organizations around the world[2]. Incorporating these decision practices will allow you to become more efficient by enabling you to apply the right level of decision quality and speed, depending on the decision need. You will be equipped to overcome many of the decision-making challenges you may be facing today (e.g., decisions changing frequently, not including the appropriate people in the process, going too fast, going too slow, over-relying on consensus, etc).

Managers at a typical Fortune 500 company may waste more than

500,000 days a year
on ineffective decision-making[1]

Warning! These decision practices will require you to make some changes in how you operate. These practices require discipline up front, instead of launching headfirst into solving problems. As the Project Management Institute (PMI) has appropriately stated, "Agility requires discipline."

—Your AbbVie Culture Team

[1]McKinsey, *Three Keys to Faster, Better Decisions.* Aaron De Smet, Gregor Jost, and Leigh Weiss. (2019)
[2]Harvard Business Review, *HBR Guide + Tools for Making Better Decisions* (2020)

Using the Guide

The content and tools are divided into the six Fit-for-Purpose Decision-Making Guiding Principles:

⏻ **Empowered & Accountable**	∞ **Flexible Process**	💬 **Quick Communication**
🔍 **Just Enough Analysis**	👥 **Appropriate Input from Appropriate People**	🔒 **"Fail Safe" Culture**

In this guide each principle is broken into one section. Each section is highlighted with the five following components to support your learning:

1 **Essential Behaviors** – What does it look like?

2 **Benefits** – Why do it?

3 **Mindsets & Tools** – How do I do it?

4 **Try It Out!** – Opportunity to apply the tool or concept to a current decision.

5 **Personal Reflection** – Questions designed to encourage personal reflection.

How to use the Resource Guide:

1 Read the content and complete the exercises in order. (Several of the activities build off of one another), or

2 Complete the **Decision-Making Diagnostic** and go directly to the sections that you have identified as areas of improvement, and

3 Complete your **Personal Activation Plan** to ensure you implement what you've learned to make better decisions, faster.

What is a "good" decision?

Decisions are often judged by the ultimate outcome of the decision and not the quality of the decision at the time it was made, given what was known at the time. This common error is called outcome bias and is an error because no decision-maker ever knows how a calculated risk will turn out. The actual outcome of the decision will often be determined by things outside of the decision-maker's control, with some risks working out and others not. Individuals whose judgments are influenced by outcome bias are seemingly holding decision-makers responsible for events beyond their control.

## Let's look at a few examples:

In 1981, an investor throws a dart at the stock page he has tacked to his office wall. The dart lands on a new company named "Microsoft." The investor invests $10,000. Thirty years later the stock is worth $20,000,000. This technically was a bad decision but had a good outcome.

A bad decision is not a decision that resulted in a poor outcome. A bad decision is a poorly informed choice.

Jack made a well researched real-estate investment in a well-established community. Two months later the area is destroyed by a tornado. This was a good decision that resulted in a bad outcome.

A good decision is not a decision that resulted in a favorable outcome. A good decision is made by a methodical analysis of the available information and sound reasoning.

A good decision is an **informed** decision made **efficiently** and in a way that it will be **fully and effectively implemented**.

Informed

Efficient

Ability to be effectively implemented
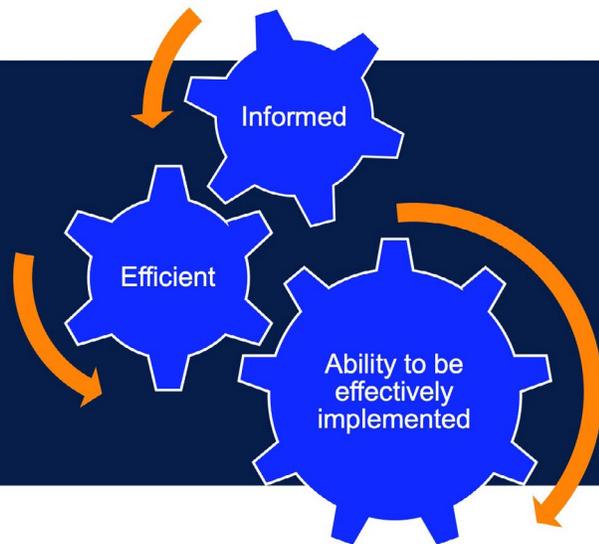
[4]Harvard Business Review, *Who Has the D?: How Clear Decision Roles Enhance Organizational Performance* (2006)

What is Fit-for-Purpose Decision-Making?

Fit-for-Purpose Decision-Making is a set of mindsets, behaviors and tools that enable you to apply the right level of decision quality and agility depending on the decision need. These tools can help you to implement practices that will help you overcome many of the challenges you face with decision-making.

Fit-for-Purpose Decision-Making is an expansion of the Decide Smart & Sure Framework, not a replacement.

	What It Looks Like	Tools
Empowered & Accountable	People are empowered to decide and willing to commit.	• **3 Questions** • **Decision Delegation Form** • **Decision Accountability Form**
Just Enough Analysis	Decisions have enough analysis for shared understanding of the problem being solved.	• **Problem Statement**
Flexible Process	Decision process is tailored to 'fit the decision need'.	• **Fit-for-Purpose Decision Process Matrix** • **Tips for Better Decision-Making Meetings**
Appropriate Input from Appropriate People	Decision-makers actively include and consider input from the appropriate people.	• **DAI Activation Plan**
Quick Communication	People are quickly and effectively informed of decisions relevant to their work.	• **Communication Checklist**
"Fail Safe" Culture	Poor decisions get fixed quickly and everyone learns from mistakes.	• **Lessons Learned**

Team Decision-Making Diagnostic

Purpose

To uncover areas of improvement for a team's decision-making.

Instructions

Reflect on the last few decisions made by members of your team and answer the following questions:

		Never	Rarely	Sometimes	Usually	Always
1	Decisions took longer than necessary be made	5	4	3	2	1
2	The decision-maker(s) was reluctant to make the decision	5	4	3	2	1
3	Decision churned or changed throughout the process	5	4	3	2	1
4	Decisions required more meetings and discussion than necessary	5	4	3	2	1
5	The designated decision-maker was not empowered to make the final decision	5	4	3	2	1
6	Decisions were made without enough input from stakeholders	5	4	3	2	1
7	Decisions were not communicated clearly and quickly	5	4	3	2	1
8	Decisions required more analysis than was necessary	5	4	3	2	1
9	Poor decisions are not revisited, changed or hard to change	5	4	3	2	1
10	The decision and its rationale were not documented for future reference	5	4	3	2	1
11	People do not support decisions they disagree with	5	4	3	2	1
12	Decisions are made without enough analysis	5	4	3	2	1
13	When collecting input for decision-making, some voices drown out others' perspectives	5	4	3	2	1

Adapted from: *How To Make Better, Faster Decisions At Work*, Course Udemy Erik Larson (2021)

Empowered & Accountable

People are empowered to decide and willing to commit.

Add rows 2, 5, and 11 and if your total score was:

Total

1–8	= Below benchmark
9–11	= At benchmark
12–15	= High performance

Appropriate Input from Appropriate People

Decision-makers actively include and consider input from the appropriate people.

Add rows 6 and 13 and if your total score was:

Total

1–5	= Below benchmark
6–7	= At benchmark
8–10	= High performance

Just Enough Analysis

Decisions have enough analysis for shared understanding of the problem being solved.

Add rows 8 and 12 and if your total score was:

Total

1–6	= Below benchmark
7	= At benchmark
8–10	= High performance

Quick Communication

People are quickly and effectively informed of decisions relevant to their work.

Add rows 7 and 10 and if your total score was:

Total

1–5	= Below benchmark
6–7	= At benchmark
8–10	= High performance

Flexible Process

Decision process is tailored to 'fit the decision need'.

Add rows 1 and 4 and if your total score was:

Total

1–4	= Below benchmark
5–7	= At benchmark
8–10	= High performance

"Fail Safe" Culture

Poor decisions get fixed quickly and everyone learns from mistakes.

Add rows 3 and 9 and if your total score was:

Total

1–5	= Below benchmark
6–7	= At benchmark
8–10	= High performance

Empowered & Accountable

1. Essential Behaviors – What does it look like?

People are empowered to decide and willing to commit.

- Decision-makers are not reluctant to make a decision because they have been clearly given decision authority to make the decision.

- Decision-makers are committed to using Fit-for-Purpose Decision-Making Principles to ensure people are willing to commit to the decision, even if they disagree.

- Leaders are committed to pushing decision-making authority down to the appropriate level in the organization, providing clear expectations, feedback and support, and actively resist the urge to reassume decision rights.

- Decision-makers hold themselves accountable to delivering decision speed and quality.

- Leaders hold decision makers accountable for decision quality and speed, not outcomes.

2. Benefits – Why do it?

How many times have you seen this? A local sales director wants to make a decision about marketing materials to better attract customers. This seems like a typical routine decision you would normally expect a sales director to be able to make. However, when asked about it, she says, "I don't make that call." In fact, she says that her boss doesn't make it either. "That decision," she says, "is made by the Country Manager." In this organization, many decisions bubble up to senior management, wasting time and effort and often resulting in poorer decisions.

When decision-making is delegated down to the right level in the organization (where the person who is closest to the information makes the decision):

- Decisions are made faster and typically are of higher quality
- Employee engagement increases
- Talent is developed, talent bench strength is built

In fact, in a recent study conducted by McKinsey, "Survey respondents who report that employees at their company are empowered to make decisions and receive sufficient coaching from leaders were 3.2 times more likely than other respondents to also say their company's delegated decisions were both high quality and speedy."

> "One of the leading causes of slow decision-making is leaders making the majority of the decisions, not delegating decisions authority further down the organization."[5]

> "Give control and create leaders."
>
> – David Marquet, Author and Former U.S. Nuclear Submarine Commander

[5]McKinsey, *Three Keys to Faster, Better Decisions*. Aaron De Smet, Gregor Jost, and Leigh Weiss. (2019)

3. Mindsets & Tools – **How do I do it?**

Mindset

> "People are smart and will figure it out."
>
> – Liz Wiseman, Author of Multipliers: How The Best Leaders Make Everyone Smarter

In many cases, one's mindset determines individual behaviors. If a leader believes, for example, that their direct reports are incapable of making a good decision, that leader will hold onto many of the decisions their team members should be making. The possible results? Poorer decision-making, overwhelmed leaders, disempowered and disengaged employees, etc.

On the other hand, if a leader believes that people are generally smart and can figure things out if given clear expectations and support, (or if their talent is not capable, then they coach and develop to become capable) then they will more likely delegate decision authority to where it belongs.

> "I own it!"

This mindset means you take responsibility for not only the Decision-Making authority that has been entrusted to you, but the decision quality. You commit to applying the Fit-for-Purpose decision practices and apply appropriate rigor to making a "good" decision.

Tools

Tips for Having Ownership Mindset

Get clear on your decision authority and expectations

Admit your mistakes – the earlier in the process, the better

Deliver on your commitments – do what you say you are going to do

Seek feedback and learn

Use a **Decision Accountability Form** for an upcoming important project!

Watch

Watch the following video to learn more about how nuclear submarine commander delegated decision authority and in one year turned the submarine USS Santa Fe from the worst in the fleet to the most successful. ***Greatness* by David Marquet** (10 min)

Are you an Accidental Diminisher? Watch the following keynote by Liz Wiseman sharing key insights from her groundbreaking research for her book, ***Multipliers: How The Best Leaders Make Everyone Smarter*** (22 min)

Do

3 Questions

Use the 3 Questions tool to determine if you should delegate a decision.

If you answer yes to all three, then delegate.

1 Is this a reversible decision?

2 Do one of my direct reports have the capability to make the decision?

3 Can I hold that person accountable for making the decision?

4. Try It Out!

Use the **Decision Delegation Form** below to plan for an upcoming delegation conversation.

Decision Delegation Form

Decision:					
Individual Name:					
Level of Decision Authority	**Level 1:** Do exactly what I have asked you to do	**Level 2:** Research and report back	**Level 3:** Research, outline options and make a recommendation	**Level 4:** Make a decision and inform me	**Level 5:** Make whatever decision you think is best
What are my expectations? (success criteria, timing, expected outcomes, metrics/measures)					
How will I follow-up? (bi-weekly, monthly meetings)					
How/when will I provide feedback and coaching?					

Think of an upcoming decision your leader has delegated to you. See how much of the table below you can complete. If you are unable to complete a section, that should signal to you that you need to go back to your leader to get clarity.

Decision Accountability Form

Decision:					
Level of Decision Authority	**Level 1:** Do exactly what leader has asked	**Level 2:** Research and report back	**Level 3:** Research, outline options and make a recommendation	**Level 4:** Make a decision and inform leader	**Level 5:** Make whatever decision is best
What are my expectations? (success criteria, timing, expected outcomes, metrics/ measures)					
How will I follow-up? (bi-weekly, monthly meetings)					
How/when will I provide feedback and coaching?					

5. Personal Reflection

Are you operating out of the "People are smart and will figure it out" mindset?
If not, list below the reasons why you do not believe that statement about your team.

What is the impact on you/your team/your organization of holding on to that mindset?

Write down three real-life examples of how "people are smart and will figure it out" is actually a true statement. Write three examples of how people on your team were "smart and figured it out" without your interference.

Have you had trouble accepting accountability for outcomes in the past? Why?

What one action can you take to begin to take personal accountability or delegate decision authority?

Just Enough Analysis

1. Essential Behaviors – What does it look like?

Decisions have enough analysis for shared understanding of the problem being solved.

- Decision-maker determines how much analysis is necessary based on the complexity of the decision.
- Decision-maker ensures decisions are framed appropriately, ensuring the decision is solving the right problem with the right level of analysis.

2. Benefits – Why do it?

Analysis paralysis. It's a common term used in the United States. If you google the term, you will find ironically that there are no less than 1,330,000 resources. It is essentially the inability to make a decision due to over-thinking a decision or problem. This inability further slows and even halts decision-making.

It is important to determine how much information and analysis is necessary to make an informed decision quickly without sacrificing quality. That includes assessing how much analysis and data is required to be able to create a shared understanding amongst stakeholders of the problem being solved by the decision. Without that clarity for your stakeholders, you will not garner commitment and your ability to fully and effectively implement your decision will be at risk.

"On an important decision, one rarely has 100% of the information needed for a good decision no matter how much one spends or how long one waits. And, if one waits too long, he has a different problem and has to start all over. This is the terrible dilemma of the hesitant decision-maker."

— Robert K. Greenleaf, Founder of the modern Servant Leadership movement

3. Mindsets & Tools – How do I do it?

Mindset

"Decisions do not have to be perfect in order to work."
– Daniel Kahneman, Author of Thinking Fast and Slow

Tools

- **Fit-for-Purpose Decision Process Matrix** – Use the matrix to determine how much analysis may be required. The higher the decision or implementation complexity, the higher the need for analysis.

- **Problem Statement** – Use the problem statement tool to transform a general problem into one that can be resolved through appropriate decision-making.

4. Try It Out!

1. List the most critical 3-5 decisions you routinely make in your role.

Top Decisions:

1.	
2.	
3.	
4.	
5.	

2. Analyze the level of decision and implementation complexity for each decision and plot them on the Fit-for-Purpose Decision Process Matrix below.

Decision Complexity

Level of complexity related to the number of variables, significance and/or ambiguity of the decision.

Implementation Complexity

Level of complexity related to the number of stakeholders and business priorities that would be affected by and/or need to be involved in the decision for it to be effectively implemented.

HIGH

Implementation Complexity

LOW
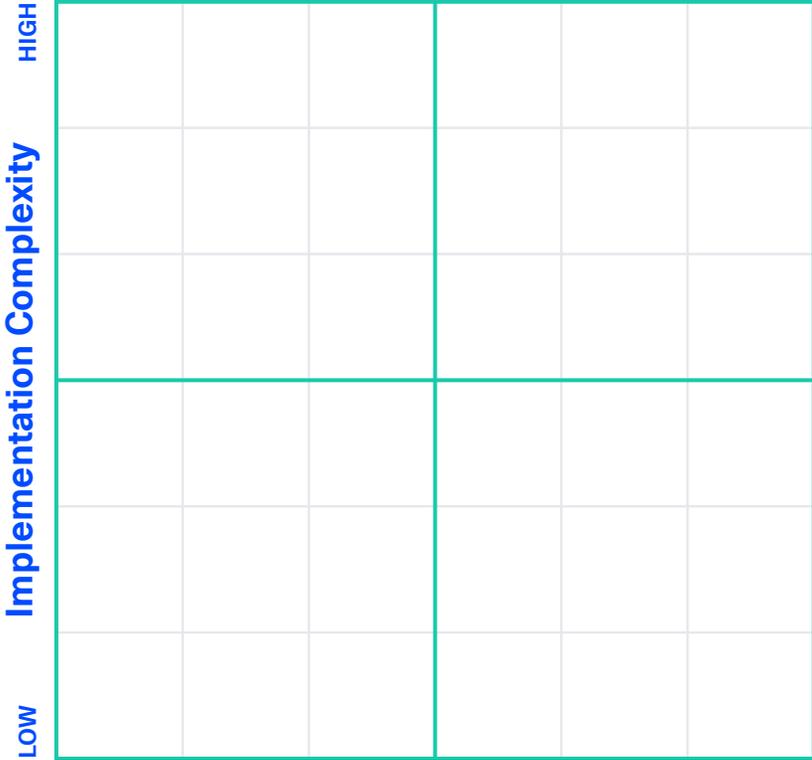
LOW **Decision Complexity** HIGH

- ✓ Uncertainty
- ✓ Risk
- ✓ Significance
- ✓ Many options
- ✓ Many unknowns
- ✓ Patient Safety

3. Look at general guidance below and see where your current decisions are either matching the guidance or are not. For those that are not, write down what you might need to adjust to ensure you have "just enough analysis" for the decision need.

Implementation Complexity (vertical axis, Low to High)

- Number of functions involved
- Regulatory impacts
- Pipeline Impact
- Strategic partnerships
- Shareholder approval
- Community impacts
- Brand impact
- Channel impact
- Budget impact

Less Analysis | More Analysis

Decision Complexity (horizontal axis, Low to High)

- ✓ Uncertainty
- ✓ Risk
- ✓ Significance
- ✓ Many options
- ✓ Many unknowns
- ✓ Patient Safety

5. Try It Out!

A problem statement is a concise description of a problem that needs to be solved. The exercise of creating a problem statement helps to scope the problem and decisions that will need to be made. It can help ensure that you are solving the right problem, making it more likely that your decisions will be more effective. You will also save time by ensuring you do not waste time making decisions about the wrong problem. In addition, an effective problem statement is a great communication tool that can be used to gain buy-in from stakeholders.

1. Answer the Problem Statement questions for one of the above decisions or a different upcoming decision.

What is the problem or opportunity? What is this decision solving for?

Who is affected by the problem/opportunity?

Where does the problem/opportunity occur?

When does the problem/opportunity occur?

Why is the problem/opportunity important? What's the impact on the business?

What are five pre-existing company goals or priorities that will be impacted by the decision?

1.	
2.	
3.	
4.	
5.	

2. Next craft a concise problem statement using the answers to the questions above. See below for examples of problem statements.

Examples

"Measured over the last six months, year on year, the defective rate of products (TV sets) from the factory has increased by 50% resulting in a loss of $10,000 for 6 months cumulative."

"Inventory levels at the NorthWest inventory storage process in Seattle are consuming space and taking up asset management time. Inventory levels are averaging 27.7 days, with a high of 48 days. These levels have exceeded the target of 20 days 95 percent of the time since March 2019. $500,000 could be saved per year if inventories were at the targeted level."

"Recruiting time for development engineers for the IT department in London is missing the goal of 75 days, 85 percent of the time. The average time to fill a request is 155 days over the past 15 months. This delay is adding costs of $145,000 per month in overtime, contractor labor, and rework costs."

Problem Statement

5. Personal Reflection

How did answering the problem statement questions help you? What additional information do you need to obtain to craft your problem statement?

Do you feel you have the right level of analysis for the 3-5 decisions you plotted on the Fit-for-Purpose Decision Process Matrix?

Do you tend to over-analyze decisions? Or do you tend to not conduct enough analysis of decisions? What do you think drives you to either over- or under-analyze?

What is one thing you could do to ensure you apply "just enough analysis" in future decisions?

Flexible Process

1. Essential Behaviors – What does it look like?

Decision process is tailored to fit the decision need.

✓ **Decision-maker knows**
when to decide quickly and when to use a more robust decision-making process.

✓ **Decision-maker utilizes**
appropriate decision-making methods.

✓ **Decision-maker ensures**
discussions are efficient.

✓ **Decision-maker conducts**
appropriate number of discussion and meetings.

2. Benefits – Why do it?

Let's say you have been tasked with deciding on where your team will go to lunch next week. Would you apply the same level of decision analysis rigor as you would for deciding on the next product launch strategy? Of course not. You would not because you know the level of decision and implementation complexity is lower than a product launch, and you know your team can't wait three months for you to make your decision!

While many of us would intuitively know how to adjust our decision process, as in the example above, when the differences are less stark between decisions, we can default to using one decision process for all decisions. The downside of relying on one default decision process is that you will likely waste time and resources.

Another time waster is inefficient decision-making meetings. Have you been in a meeting where the leader spent the entire meeting getting consensus on a decision that didn't require it? And how many hours have you spent in those meetings when the leader was going to make the decision anyway and did not require your input? Or have you ever been on a project where decisions could have been made in a meeting, and as the meeting closes, the team leader tables the decision until the next meeting? How much more efficient and how much more could get done if that team leader was clearly able to facilitate decision-making efficiently

Having a flexible process in decision-making means you know when to make decisions quickly and when to make them more carefully. And that includes ensuring everyone's time is used efficiently in the process.

Taking the time to "decide how to decide" up front will save you time, resources and increase the likelihood of making a good decision.

3. Mindsets & Tools – How do I do it?

Mindset

Make minor decisions quickly, major decisions carefully.

Tools

The decision-making process (pictured on the right) is part of the Decide Smart & Sure Framework, that includes the DAI model. The DAI model references the "D" for Decision-Maker, "A" for Advice Giver, and "I" for Informed Stakeholder. and outlines the key steps that should take place when making a decision. It is a useful tool that is being expanded upon with the Fit-for-Purpose Decision Process Matrix & Guides to help guide you as to which steps are necessary for different types of decisions. This guidance will allow you to tailor your decision-making process based on the decision need.

DEFINE	GATHER INPUT	DECIDE	IMPLEMENT
Define decision(s) to be made	Collect input from and have dialogue with Advice Givers	Evaluate against agreed-upon criteria to arrive at final decision(s)	Determine metrics and feedback
Establish decision criteria for evaluating final options	Advice Givers gain functional input		Execute decision
Confirm DAI roles and responsibilities	Accept degrees of imperfection	Communicate decision and rationale to Advice Givers	Capture and share lessons learned
Create clear agenda and objectives for meetings	Consider decision options and implications	Create clear action plan	
Determine required information		Communicate to Informed Stakeholders	
Acknowledge decision's urgency, significance, risk			

DAI Activation Plan tool is for reference only.

- **Fit-for-Purpose Decision Process Matrix & Guides**
- **Tips for Better Decision-Making Meetings**
- **DAI Activation Plan**

4. Try It Out!

Fit-for-Purpose Decision Process Matrix

1. Refer to where you plotted your top 3-5 decisions in the last section. See the matrix below to see which quadrant each decision lies in. Then read the following Fit-for-Purpose Decision Process Guides for the relevant quadrants and determine if your current decision process is Fit-for-Purpose or if there are opportunities to improve. Use the table below to capture your data.

Decision	Quadrant	Current approach fit the decision need? (Y/N)	What could you do to improve?
1.			
2.			
3.			
4.			
5.			
6.			

The diagram shows a 2×2 matrix with axes:
- Y-axis: **Implementation Complexity** (LOW to HIGH)
- X-axis: **Decision Complexity** (LOW to HIGH)

Quadrant 2 (top-left, High Implementation / Low Decision):
Stakeholder Engagement

Quadrant 4 (top-right, High Implementation / High Decision):
Stakeholder Engagement
Expertise Engagement
Scope & Map Multiple Decisions

Quadrant 1 (bottom-left, Low Implementation / Low Decision):
Decide Quickly

Quadrant 3 (bottom-right, Low Implementation / High Decision):
Expertise Engagement
Decide Quickly

Note: These are primary focus areas recommended for each quadrant. It does not mean that activities, such as stakeholder engagement, would be absent in quadrants 1 and 3, for example. It is would not be the primary focus.

Examples

Quadrant 1:
- Update local new hire orientation
- Change internal report format

Quadrant 2:
- New product branding
- Decision to conduct sales training virtually permanently

Quadrant 3:
- Change in sales compensation
- Definition of Development Plan options

Quadrant 4:
- Pricing strategy
- Portfolio prioritization
- Resources allocation (externals & internals)

Process Guides

Quadrant 1 - Decide Quickly

When a decision has low decision complexity and low implementation complexity, the primary focus is speed. With low levels of complexity there is no need to go through every step of the Decision-Making Process. In most cases, the following steps are sufficient to make the decision quickly.

DEFINE	GATHER	DESIGN	IMPLEMENT
☐ **Define decision to be made**	☐ **Collect input from and have dialogue with Advice Givers**	☐ **Arrive at final decision**	☐ Determine metrics and feedback
☐ Confirm DAI roles and responsibilities	☐ Advice Givers gain functional input where applicable	☐ Pressure-test decision	☐ **Execute decision**
☐ **Establish decision criteria for evaluating options**	☐ **Generate decision options**	☐ Create implementation, communication and change managment plan, where applicable	☐ Conduct and share lessons learned
☐ **Ensure alignment on decision definition, process, and owner with Decision Approver (if applicable)**	☐ Use agreed-upon criteria to narrow down options	☐ **Communicate decision and rationale to Advice Givers and Informed Stakeholders**	
☐ **Determine required information**			

Bold = critical

Key Questions:
- If I made the decision now, would the team or key stakeholders support it?
- Who do I need to communicate the decision to?

Quadrant 2 – Stakeholder Engagement

When a decision has low decision complexity and high implementation complexity, the decision-maker's focus should be on the effective engagement of stakeholders. Ineffective engagement of stakeholders for these types of decisions can result in either getting too many people involved in the decision process, thereby slowing the decision-making process down to a crawl, or not getting key stakeholders involved at the right time, leading to resistance thereby reducing the likelihood of key stakeholder commitment to the decision.

DEFINE	GATHER	DESIGN	IMPLEMENT
☐ **Define decision to be made**	☐ **Collect input from and have dialogue with Advice Givers**	☐ **Arrive at final decision**	☐ Determine metrics and feedback
☐ **Confirm DAI roles and responsibilities**	☐ **Advice Givers gain functional input where applicable**	☐ Pressure-test decision	☐ **Execute decision**
☐ **Establish decision criteria for evaluating options**	☐ Generate decision options	☐ **Create implementation, communication and change managment plan, where applicable**	☐ Conduct and share lessons learned
☐ **Ensure alignment on decision definition, process, and owner with Decision Approver (if applicable)**	☐ Use agreed-upon criteria to narrow down options	☐ **Communicate decision and rationale to Advice Givers and Informed Stakeholders**	
☐ Determine required information			

Bold = critical

Key Questions:
- Who are the key stakeholders?
- Has the decision incorporated key stakeholder input?

Quadrant 3 – Expertise Engagement & Decide Quickly

When a decision has high decision complexity and low implementation complexity, the decision-maker's primary focus should be on the effective and efficient engagement of experts. Ineffective engagement of experts for these types of decisions can result in either getting too many experts and leaders involved in the decision process, thereby slowing down the decision-making process, or not getting the right input from the appropriate experts, leading to a poor quality decision.

DEFINE	GATHER	DESIGN	IMPLEMENT
☐ **Define decision to be made**	☐ **Collect input from and have dialogue with Advice Givers**	☐ **Arrive at final decision**	☐ **Determine metrics and feedback**
☐ **Confirm DAI roles and responsibilities**	☐ Advice Givers gain functional input where applicable	☐ Pressure-test decision	☐ Execute decision
☐ **Establish decision criteria for evaluating options**	☐ **Generate decision options**	☐ **Create implementation, communication and change managment plan, where applicable**	☐ **Conduct and share lessons learned**
☐ Ensure alignment on decision definition, process, and owner with Decision Approver (if applicable)	☐ **Use agreed-upon criteria to narrow down options**	☐ Communicate decision and rationale to Advice Givers and Informed Stakeholders	
☐ **Determine required information**			

Bold = critical

Key Questions:
- Do I have the right expertise involved?
- If I made the decision now with the right input and communication strategy, will I encounter any push back?

Quadrant 4 – Scope and Map Decisions, Expertise Engagement & Stakeholder Engagement

When a decision has high decision complexity and high implementation complexity, the stakes are high. Decisions in this category typically fall into two buckets:

1 "Big bet" decisions that are typically made by the most senior leadership in the company and tend to be infrequent (i.e., mergers, acquisitions), and

2 "Cross-cutting" decisions which are more frequent high-risk decisions that are made with high involvement of multiple groups across the organization. (i.e., new pricing, new product)[5]

For the purposes of this guide, we will focus on the "cross-cutting" decisions. One of the keys to ensuring decision agility in this type of context is to choreograph the critical decision points in the process and the roles in the process.

DEFINE	GATHER	DESIGN	IMPLEMENT
☐ **Define decision to be made**	☐ **Collect input from and have dialogue with Advice Givers**	☐ **Arrive at final decision**	☐ **Determine metrics and feedback**
☐ **Confirm DAI roles and responsibilities**	☐ **Advice Givers gain functional input where applicable**	☐ **Pressure-test decision**	☐ **Execute decision**
☐ **Establish decision criteria for evaluating options**	☐ Generate decision options	☐ Create implementation, communication and change managment plan, where applicable	☐ Conduct and share lessons learned
☐ **Ensure alignment on decision definition, process, and owner with Decision Approver (if applicable)**	☐ **Use agreed-upon criteria to narrow down options**	☐ **Communicate decision and rationale to Advice Givers and Informed Stakeholders**	
☐ Determine required information			

Bold = critical

Key Questions:
- What are the critical decisions that need to be made?
- Do I have the right expertise and stakeholders involved at the right time?
- Are there elements of the current decision process that can be eliminated without sacrificing quality?
- If a governance body is involved, is its purpose, roles and responsibilities, and processes (including escalation processes) documented and clearly communicated to all involved?

Tips for Better Decision-Making Meetings

Preparing for the Meeting

The Rule of Seven. Research shows that groups with seven or more members are more susceptible to confirmation bias. In fact, the research states that every attendee over seven reduces the likelihood of making a good, quick, executable decision by 10%. Once you hit 16 or 17, your decision effectiveness is close to zero. Keeping the number of members in the meeting between 3 and 5 people can ensure you reduce confirmation bias while also benefiting from diverse perspectives.[6]

Provide adequate pre-read materials to prepare participants. Decision-making meetings are shorter when all participants have the same understanding of the decision background and context before walking into the meeting. Consider sharing with participants the problem statement, project goal, and all related data and facts to adequately and comprehensively ensure a shared understanding of the problem.

Get the conversation started before the meeting. Send participants background information and decision alternatives you are considering. Ask participants to send you which option they would prefer and why. Capture all opinions and rationale into one document, remove names and send out prior to the meeting for all to review. This decreases groupthink, levels the playing field, and makes meetings more efficient.[7]

In the Meeting

State the decision-making method that will be used up front. One of the best ways to make a decision-making meeting effective and efficient is to declare the method that will be used to make a decision at the beginning of a meeting. This makes it clear to all participants what to expect and how to contribute most effectively to reach a decision. A decision leader could state one of the following decision-making methods using the following example phrases:

Consensus
"My aim is to arrive at this decision today through consensus because we all need to be committed to executing this decision."

Vote
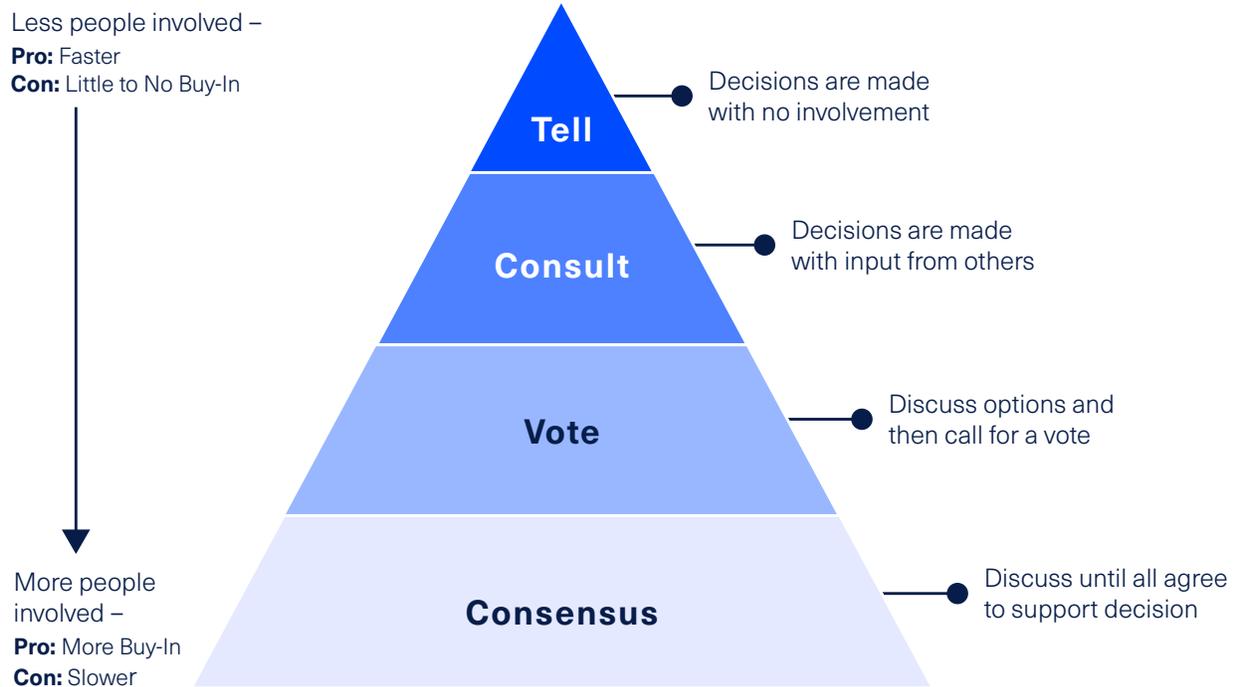"In the interest of time, we will use majority vote to make our decision today."

Consult
"I will be making this decision. Today I want to hear your perspectives and feedback so that they can inform my decision."
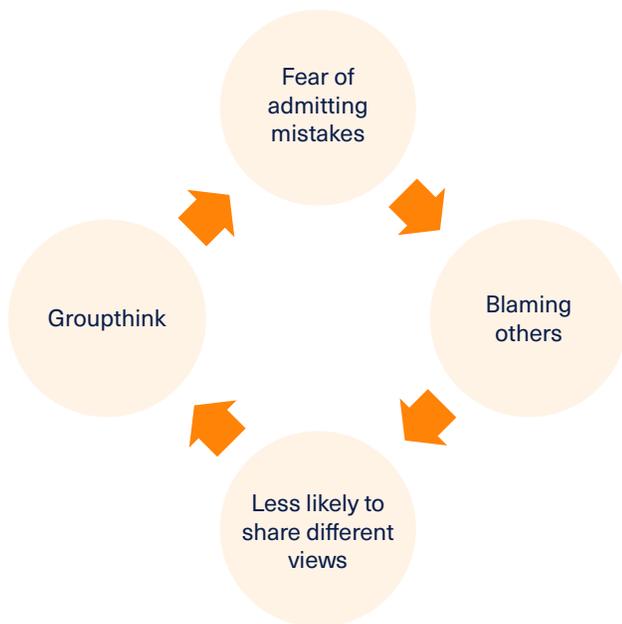
[6]Harvard Business Review, *The Most Productive Meetings Have Fewer Than 8 People.* Paul Axtell. (2018)
[7]*How To Make Better, Faster Decisions At Work*, Course Udemy Erik Larson (2021)
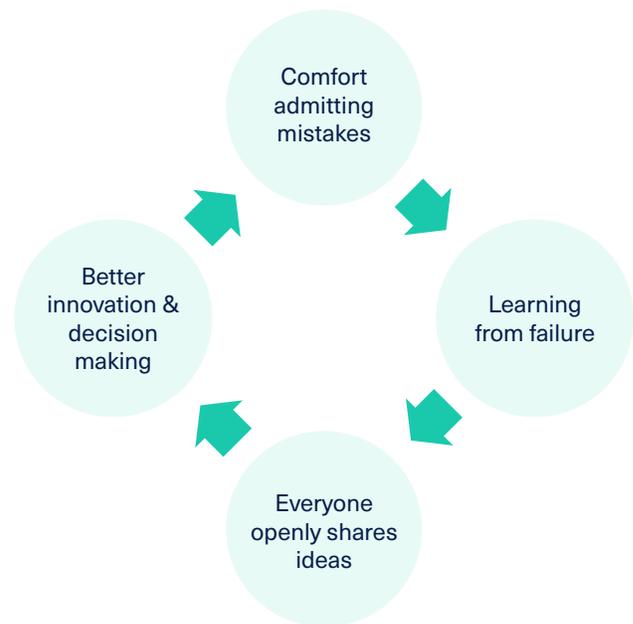
Decision-Making Methods

Less people involved –
Pro: Faster
Con: Little to No Buy-In

More people involved –
Pro: More Buy-In
Con: Slower

Tell — Decisions are made with no involvement

Consult — Decisions are made with input from others

Vote — Discuss options and then call for a vote

Consensus — Discuss until all agree to support decision

- **Declare a time limit.** To ensure the meeting is efficient, make it clear to the participants how much time they will have to make a decision. Be sure to state what will happen if the decision cannot be reached by that time. For example, "We will discuss for 90 minutes and then we will decide at that time. If we cannot reach consensus, we will take a vote."

- **Begin with a shared understanding.** Answer questions from participants regarding the pre-read. Ensure everyone agrees on the core issue and/or decision to be made.

- **Debate openly and honestly with psychological safety.** Consider establishing some ground rules for your decision-making meetings to ensure you are creating a psychologically safe environment where all raise concerns and voice opinions during the meeting, not afterwards in the hallway. Research has shown that the following mindsets and behaviors are critical for creating an environment for candid, robust debate:

  - Widespread respect for colleagues' contributions
  - Openness to experimenting with others' ideas
  - Sensitivity to how one's actions may affect both others' work and the overall mission
  - Feedback is related to the decision, not the individual
  - Comments are expressed as suggestions, not mandates

Psychological Danger

- Fear of admitting mistakes
- Blaming others
- Less likely to share different views
- Groupthink

Psychological Safety

- Comfort admitting mistakes
- Learning from failure
- Everyone openly shares ideas
- Better innovation & decision making

Some example ground rules could be:

- Be willing to be wrong – leave egos at the door
- Assume positive intent
- Don't react. Breathe first and then respond.
- Focus on facts, not perceptions
- Identify causes, not culprits
- Be curious, don't blame

After the Meeting

Document and communicate the decision. Have a plan to appropriately communicate a decision once it has been reached. Ineffective or missing communication of decisions that impact stakeholders can lead to reluctant acquiescence at best, and staunch resistance at worst.

5. Personal Reflection

Think about a work decision you made in the past two weeks.

Think about the process you followed to make the decision, including the quantity and quality of meetings involved.

What worked well?	What could be improved?

Tips for Advocating for Flexible Process When It Is Not Your Decision

Determine what will best influence the individual to try a new approach or adjust the current decision process.

Share the Fit-for-Purpose matrix and discuss where you believe the decision lies and what could be changed to better fit the decision need.

Demonstrate how you have achieved better results by adopting these mindsets and tools.

Appropriate Input From Appropriate People

1. Essential Behaviors – What does it look like?

Decision-makers actively include and consider input from the appropriate people.

- Decisions are made with enough input from appropriate stakeholders.
- Decision-maker identifies appropriate stakeholders and assigns appropriate roles.
- All input from appropriate stakeholders is valuable, not just the experts or top leaders.

2. Benefits – Why do it?

Decision made in an organization is never made in a vacuum. Therefore, any decision within a system affects other parts of the system, and in some cases the entire system. To be effective, decisions must be made in a way that will engender sustained commitment from those who are affected by or need to know, understand or approve it. That means that a decision-maker must be skilled at identifying appropriate stakeholders and knowing how to engage them efficiently to ensure commitment and avoid:

- Unnecessary delays
- Re-work
- Wasted time and resources
- Frustration
- Disengagement

"A decision has not been made until people know the name of the person accountable for carrying it out; the deadline; the names of the people who will be affected by the decision and therefore have to know about, understand, and approve it – or at least not be strongly opposed to it– and the names of the people who have to be informed of the decision even if they are not directly affected by it."

– Peter Drucker

3. Mindsets & Tools – How do I do it?

Mindset

Taking the time to get clear on who to involve, when and how will help ensure a faster and less frustrating decision process.

Tools

- **DAI Activation Plan**

A tool to help you to understand who you need to involve in a decision and how you need to involve them to ensure you have the appropriate information from the appropriate people at the right time.

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4. What is DAI?

The DAI model is designed to improve the effectiveness and velocity of the decision-making process by clarifying roles and responsibilities of key stakeholders in the process. The DAI model helps eliminate friction, unnecessary conflict and confusion amongst stakeholders. DAI is similar to other models, like RACI Model, however DAI is specifically designed to ensure decision clarity. Models such as RACI are designed for the execution of a decision, while models like DAI are specifically designed for use in the process of decision-making.

DAI roles are assigned to individuals involved in a decision process typically by a project leader or a project team at the beginning of a complex decision-making process. If a decision is getting stalled in the decision process, clarifying DAI roles at that time can help accelerate the process.

DAI Model – Roles

Decision Maker	Decision Approver	**Decision Approver (DA) =** Approves decision and is accountable for impact on the business. (One person/One deciding body - no more than 5 members)
	Decision Driver	**Decision Driver (DD) =** Drives decision process from start to finish. Is accountable for decision quality, speed, and driving commitment to the decision. (One person)
Advice Giver		Provides guidance based on functional expertise and experience. Views **may or may not** be included in final decision/proposal. **A* =** Views of any other stakeholders other than DA that **must be included** in the final decision/proposal. (Keep to a minimum) (optional)
Informed Stakeholder		Informed of progress during and/or once a decision has been made. May provide input, if requested.

DAI Model – Responsibilities

Decision Maker	Decision Approver	• Clearly communicate expectations upfront – desired level of involvement, scope, outputs, etc. • Maintain momentum – accept imperfection and remove obstacles to progress swiftly • Makes decision and sticks to it, does not evade or elevate • Hold DD accountable for quality, speed and stakeholders' commitment to decision
	Decision Driver	• Select appropriate process for decision • Identify roles (A's and I's) and communicate to all upfront to create realistic expectations • Courageously hold self and others accountable • Encourage productive debate, ensuring A's and I's have voiced concerns and are able to commit and execute • Quickly communicate and document final decision – including rationale, choices considered, individuals involved, impacts to key stakeholders, and implementation plan and timeframe • Change poor decisions and learn from mistakes
Advice Giver		• Be diligent in preparing data, insights, and options to equip the D • Efficiently gather perspectives from appropriate people so that you can represent your function comprehensively • Ensure your advice is in the interest of the business's strategy, not your function's • Advise and influence respectfully and transparently – don't lobby behind the scenes or confuse your role with the D • Publicly and privately commit to the final decision
Informed Stakeholder		• Provide input if requested, but don't confuse your role with an A • Take responsibility to be well-informed of final decision once the D has communicated so you can execute successfully • Commit to the execution of the decision

Success Tips

Keep it down. Keep the number of "A"s to a minimum. Ensure "A"s are those who have the most knowledge about the topic or are most impacted by the decision. Consider where being an "I" might be an appropriate role, ensuring communication throughout the project.

Stick to it. Since the whole purpose of the DAI is to set clear participation levels for making project decisions, it's important to stick to the framework. For example, the person assigned as "DA" for a milestone/decision/activity should be the final decision-maker and approver of that task. They should not be bypassed or usurped for any reason, other than they are unexpectedly unavailable. A deviation from the defined project roles will lead to distrust and confusion as well as weaken the power of the DAI framework. It is critical to stay the course with the agreed-upon DAI.

Hold each other accountable. Stick to your role and help others stick to theirs.

Note: The DAI is not a tool to use for simple or time-sensitive decisions.

DAI Activation Plan - Instructions

This tool will help you to understand who you need to involve in the decision-making process and inform how you may involve them in the process.

1. Think of a recent or upcoming decision you need to make.

Decision:

2. List the names of individuals that will either be affected by the decision, can influence the decision or who can approve or veto the decision. You can put individual names/roles or groups of people (i.e., customer service representatives).

Who will be affected by this decision?	Who can influence this decision?	Who can approve or veto this decision?	Whose input do I need?

3. Review the list of stakeholders and determine which individuals need to be involved in the decision-making process. List their names in the **Stakeholder** column in the DAI Activation Plan below.

4. Assign each individual a role according to the DAI model -- Decision Approver (DA), Decision Driver (DD), Advice Giver (A), and Informed Stakeholder (I). List the roles in the **Role** column in the DAI Activation Plan below.

5. For your Advice Givers (A) and Informed Stakeholders (I), assess each stakeholder's level of influence and interest in the decision and place on the matrix to help you determine the best stakeholder engagement strategy for each stakeholder. Enter the strategy for each stakeholder in the DAI Activation Plan below in the **Stakeholder Matrix Guidance** column.

6. Capture action steps you will take in the **Engagement Plan** column in the DAI Activation Plan below. These actions steps should be informed by the DAI role and the Stakeholder Matrix Guidance.

		Interest in Decision	
Influence	**High**		
	Low		
		Low	High

Interest in Decision

		Interest in Decision	
Influence	**High**	**Keep Satisfied** • Keep informed and get input at a high level throughout process to ensure satisfaction Ex. Distant cross-functional partner or leader, senior leadership	**Manage Closely** • Check in regularly to ensure alignment • Actively collaborate Ex. Project Sponsor, Functional Leader
	Low	**Monitor** • Minimal effort • May want to inform during process or not • Monitor for any changes Ex. Distant peers	**Keep Informed** • Keep informed throughout process • May want input towards end of the process Ex. Peers, Broader Groups
		Low	High

Interest in Decision

DAI Activation Plan

Stakeholder	Role	Stakeholder Matrix Guidance	Engagement Plan
Example: SVP, Manufacturing	DA	Manage Closely	Meet with at beginning of decision process to understand expectations. Meet regularly to ask for input and check for alignment.

Check Your DAI Activation Plan:

- Do you have only 1 DA? Or if you have multiple DA's have you been able to keep it to 5 or less?
- Are all the A's the most knowledgeable about the topic or most impacted by the decision?
- Do your A's need to be A's or could they be I's with added communication throughout the process?

5. Personal Reflection

Think of a past work decision you made where you did not provide clarity up front on decision roles and/or effectively engaged the appropriate stakeholders. What were the consequences of not having clear roles and an effective stakeholder engagement strategy?

Why do you think you skipped these steps?

What is one action you can take to ensure you engage the appropriate people at the appropriate time in the future?

Tips for Advocating for Clear Roles When It Is Not Your Decision

- Determine what will best influence the decision-maker to try a new approach or adjust a current decision process.

- Share the DAI model with the decision-maker and share how being clear on roles can help to speed up the decision process and prevent issues/unnecessary conflict.

- Demonstrate how you have achieved better results by adopting these mindsets and tools.

1. Essential Behaviors – What does it look like?

People are quickly and effectively informed of decisions relevant to their work.

- People are quickly and effectively informed of decisions relevant to their work.
- Decisions and rationale are documented in a shared location for future reference.

2. Benefits – Why do it?

Without a clear and standard communication practice in place in an organization, decisions are not effectively communicated. Ineffective or missing communication of decisions that impact stakeholders can lead to reluctant agreement at best, and staunch resistance at worst. Another by-product of ineffective decision communication practices is too many meetings with too many people in them. These individuals believe these meetings are the only source of information, so they insist on being a part of the meeting.

The following communication checklist is based off of Erik Larson's research that found that the most effective and efficient decision-makers ensure their decisions are communicated quickly and comprehensively and therefore build trust and efficiency in the decision-making process. The benefits of using these tools include:

- Increased trust in the process
- Less second-guessing
- Less re-work
- Increased transparency
- Higher levels of trust in the quality of the decision

> "Researchers have found that if participants believe the process was fair, they are far more willing to commit to the resulting decision, even if their views did not prevail.[7]"

[7]HBR, *What You Don't Know About Making Decisions*, David A. Garvin and Michael A. Roberto 2001

3. Mindsets & Tools – How do I do it?

Mindset

Good communications are critical to my decision's success.

Tools

• **Communication Checklist**

4. Try It Out!

Communication Checklist[3]

Once you have reached a decision, utilize the following checklist to ensure you communicate effectively:

Have I documented the decision in a shared location where the team can easily access?
Does it include the following?

☐ The decision

☐ Rationale – explaining why the decision was made

☐ The names and roles of those who participated in the decision-making process

☐ Alternative considered

Have I drafted a standard communication that includes the following components?

☐ The problem statement

☐ The objective of the project/decision-making effort

☐ The names and roles of those who participated in the decision-making process

☐ Alternative considered (and potentially a summary of why the alternatives were not chosen)

☐ Final decision and its impact on stakeholders

☐ Implementation plan and timeline

☐ Recognition of those who participated in the decision-making process

☐ An ask for feedback

☐ Have I tailored my communications for the different audiences?

☐ Have I selected the best communication channels to communicate the decision to stakeholders?

Success Tips

If you anticipate resistance (especially criticism that the process was unfair):

• Explain the process before you describe the alternatives.

• Emphasize the places where you solicited different viewpoints and the effort you made to identify real alternatives.

[3]Harvard Business Review, HBR Guide + Tools for Making Better Decisions (2020)

5. Personal Reflection

How could improving your decision communications benefit you/your team/AbbVie?

What is one action you can take to improve in this area?

**Tips for Advocating Clearer Communications
When You Are Receiving Decision Communications**

- Determine what will best influence the decision-maker to try a new approach to communicating decisions.
- Share the Communication Checklist tool with the decision-maker and discuss the potential benefits to the team.
- Demonstrate how you have achieved better results by adopting these mindsets and tools.

"Fail Safe" Culture

1. Essential Behaviors – What does it look like?

Poor decisions get fixed quickly and everyone learns from mistakes.

- People learn from their mistakes.
- Good decisions are not changed/revisited.
- Poor decisions are revisited and changed quickly.

2. Benefits – Why do it?

While it is true that mistakes can be turned into opportunities for insights and learnings, it never feels good when you make a mistake. Nobody likes to fail. Success always feels much better. Success is safe. It is predictable. When mistakes do occur, there is uncertainty. And uncertainty can slow us down, at best, or paralyze us at worst. However, these moments of uncertainty, if leveraged appropriately, can be capitalized upon to learn, quickly adapt, and make a different decision resulting in business success.

As good innovators know, failure is part of the process. What matters is that you fail smart and learn from every failure.

Organizations that espouse a "fail safe" culture know that decision-making slows down significantly when decision makers are punished for mistakes. In that environment decision-makers spend excessive amounts of time and resources making the "right" decision and frequently decisions are escalated to senior levels in the organization, distracting executive leadership from truly focusing on strategic priorities.

3. Mindsets & Tools – How do I do it?

Mindset

Mistakes are opportunities to learn and grow.

Tools

Watch
Listen to former Head of HR at Novartis talk about failure. **https://www.youtube.com/watch?v=zys5ZLYMS38**

4. Try It Out!

Lessons Learned Tool

✓ Opening

Review the original goals of project. This helps everyone understand what they are debriefing "against."

✓ Plus/Delta

Guide the team through a brainstorming session of Plus / Deltas - pluses are "what went well", deltas are "what did not go well."

- Leader kicks off the plus/deltas brainstorming by reviewing how effectively he / she led project. It sets the tone of candor, which is vital to an effective Lessons Learned process.
- Leader then states what he/she did particularly well in running project ("pluses"). Always begin with "pluses."
- Leader then states what he/she should have done differently from leadership standpoint ("deltas")
- Ask team for their "pluses" and capture on whiteboard/flip chart/online whiteboard
- Ask team for their "deltas" and capture on whiteboard/flip chart/online whiteboard

✓ Root Cause

For the top 2-3 pluses and deltas, come to agreement on why each occurred. Ask "why did this happen?" to open the brainstorming session. To get to root cause, keep asking "why" until it does not make sense to go any further (usually 5 times). Choose, from open discussion, those root causes that are biggest drivers of pluses and deltas.

✓ Lessons Learned

Identify your team's Lessons Learned by taking each of the top 2-3 pluses and deltas and asking the team "What did we learn from this?" If some actions can be taken immediately, people responsible and due dates should be identified as needed.

Timing = 2 hours minimum

5. Personal Reflection

Have there been instances in the past month where I have blamed others or shared stories about others' decision failures?

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[                                                                    ]
[                                                                    ]
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What might the consequences be of doing this to the organization's culture?

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[                                                                    ]
[                                                                    ]
[                                                                    ]
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What is one action you might take to begin to create a "fail safe" culture for your team, regardless of your role?

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[                                                                    ]
[                                                                    ]
[                                                                    ]
[                                                                    ]
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Personal Activation Plan

1. Review all of your reflections in this guide.

2. Brainstorm a list of 3-5 ideas that you are most inspired to implement.

3. Narrow your list down to 1-2 ideas.

4. Complete the activation plan with those 1-2 actions.

In order to activate these ideas, I will:

Action Step	By When	Additional Resources Required

abbvie