flinks

A framework to drive decision-making in uncertain times

While decisions vary hugely in complexity, importance and scope, there are a number of steps companies can follow to make informed choices.

Julien Belisle is Flinks' Head of Global Growth. He's helped hundreds of financial businesses here and abroad successfully drive digital transformation.

We touched base with digital consultant and blogger Marcel Britsch about how companies can optimize their chances of achieving good outcomes from important choices. Britsch explains that by clearly establishing scope, risk, expectation and governance ahead of any decisions, companies can lay a robust foundation for their choice that will reduce time waste and improve decision-makers' understanding of the trade-offs of taking or missing an opportunity.

First up, it is important to define the scope of the decision: what exactly is the choice about? Distil your dilemma or choice into a single sentence or question. Think of it as a hypothesis that needs to be proved or the starting point for an investigation. This simple step is critical for ensuring everyone involved in the decision-making process is on the same page. If the problem is stated incorrectly, then the subsequent process will be of no use.

Risk should be defined next. Risk is an inevitable element of any decision, and on a corporate scale the implications of misjudging risk can be huge. Here, decision-makers should reach a consensus on how important the outcome of the choice is and what is the acceptable size for the margin of error. What level of certainty can be expected about the outcome? This step is crucial, as it helps assess how much effort and resources should be channeled into any choice.

Companies must then get to the typically more tricky task of defining the dimensions of the decision. A company must work out the different criteria that matter in each decision, and assign each consideration with a weight or priority, depending on how important it is to the overall decision-making process. This will allow a decision to be broken down into bite-size chunks.

It is at this juncture where we urge customers to be sure to factor in the impact of alternative scenarios—in other words, the cost of not making the decision. In the case of our potential clients, this involves assessing the costs of not making the switch to Flinks, the long-term impact of inaction and sticking with a low-performance, low-coverage service.

A benchmarking exercise should follow. With the different criteria impacting the decision identified—for instance, the coverage and functionality of a particular product—it is now the moment to establish the best outcome for each. This step will provide clarity and focus and ensure that any decision is not derailed by factors that are ultimately less important.

Governance is another key area that must be settled in advance. Who is going to take the decision, and with what input and within which timeframe? Who is responsible for the decision, who is going to take the heat if it doesn't deliver the desired outcome?