

# Chapter 4 **Decision Making**

## **Decision Making... Structure**

Determine the decision maker

Select a decision mechanism

Make a timely decision

Build support with peers/stakeholders

Communicate the decision

Enact the decision

# **Determine who the Decision Maker is**

“Knowing who is going to make the decision impacts the mechanism used to make the decision.”

... a single decision being the most efficient... but...

The Product Owner (BA) is the key decision maker in agile approaches... either as the decider or the decision leader

... and also has the responsibility for the outcome of the project

# Select a decision mechanism

## Decide how to decide...

- Arbitrary (coin flip, not usually the best approach)
- Decider decides with discussion (Product Owner approach)
- Consensus (collaborative)
- Delegation (primary decision maker identifies someone else to make the key decisions on the project)
- Decider decides without discussion (the *dictatorship* model)
- Negotiation (... attempt to find solution all will agree with)
- Majority vote (downside is that losers and winners are identified)
- Spontaneous agreement (rare... may be sign of GroupThink)

# **Determine what information is needed**

Gather additional information about the available options...

Choosing the most informed decision...

Figure out what you don't know and fill in as many knowledge gaps as possible...

How to manage to get to approval

- Give stakeholders needed data to make an informed decision

- Give them enough time to consider, discuss, and question to resolve issues and get to a solution

Avoid “paralysis”

# **Make a timely decision**

“Timing of decisions is all about information”

Deciding too quickly may mean overlooking critical information needed to make the best decision.

Important options are not considered.

“There is a fine balancing point between gathering enough information and spending too much time trying to gather information” ... how much is enough

At least attempt to identify, first, what information is needed to make a decision...

# **Build Support with peers/stakeholders**

## ***Questions:***

Have you identified all those that should be included?

If you are making the decision alone, how do you build support?

Have you “listened” and “considered input” from key people whose support is needed?

The way the decision is communicated may be the key to getting the needed support!

# **Communicate the decision**

Once the decision is made, ensure that those affected by the decision (and responsible for its success) are informed... ASAP!

... the surprise (usually bad) comes from not informing everyone!

# Enact the decision

**The trap...** after the decision is made, no one is in charge of ensuring steps to make “It” a reality

The execution of a decision determines whether it produces the results envisioned by those making the decision actually had a chance to materialize?

“When making a decision, it’s best to think about how it will be enacted at the same time.”

...



# Real Options

**First**, don't confuse **options** with **commitments**

Commitments are just that... things you must do

- Options have value
- Options expire
- Never commit early, unless you know why

**Second**, take some to consider

Some options require quick action... otherwise they may no longer available

You either decide on the option being considered, or spend additional time to consider other options that may provide a better result

# Real Options

Referencing the “Mercury space program” and the identification of choices...

The decision making in a time of crises was represented in the movie “Hidden Figures”

First options were considered but not taken...

The “story” also includes the team of female African-American mathematicians that served a vital role in the implementation of the option that was chosen.

# Cognitive Bias

“... patterns of deviation in judgment that occur in particular situations.”

Yes, a Google search on “Cognitive Bias” will provide an exhausting list...

Handout: “**Cognitive Biases in Project Management**”  
(five examples)

# **Elicitation** (collecting information)

## Biases affecting Stakeholders

**Response Bias...** answering a question based on what the stakeholder thinks the analyst wants

**Groupthink...** stakeholders all convey the same information whether or not they believe it

**Bandwagon Affect...** go along to get along

**Curse of knowledge...** stakeholders being unable to consider a less informed and more neutral perspective

What to do?

... one approach is to observe what they do and not what they say

# **Biases Affecting Analysis**

The curse of knowledge the analyst's bias

## **Confirmation Bias**

Tendency to search for, interpret, and remember information that confirms your own preconceptions

## **Observer-expectancy effect**

The analyst expecting a certain result, subconsciously manipulate or misinterprets data in order validate that “certain result”

## **Framing effect**

... where you draw different conclusions from the same information depending on how it is presented

# Framing effect

The basis for the tendency to pay more attention to people who are paying for an IT project...

... even when they are not the ones to use the solution

## **Business Analyst and the UX designers**

Analysts typically focus on the stakeholders paying for the solution and not the actual users

UX experts pay attention to those that will actually use the solution

# Mirror Imaging

When the analyst assumes that stakeholders (users) think like they do...

- ... how they “like” to work

- ... how they express ideas

- ... how they learn new information

McDonald's suggested remedy

“... for sessions where the intent is to have substantive discussions about the project and its requirements, its always helpful to have multiple perspectives.”

# **Analysis bias**

Biases that occur in analyzing the elicited information...

## **Anchoring effect *or* Focusing effect**

Too much emphasis on a particular piece of information

## **Survivorship bias**

Focus on those that had a successful interaction and not considering those that did not

## **Availability heuristic**

Overestimate the likely of an event because of its recent occurrence

## **Observation selection bias**

A new occurrence of what was not previously noticed, but assuming the frequency of its occurrence has increased



# **Analysis bias**

## **Frequency illusion**

What was familiar, but recently comes to your attention is perceived as occurring in increased frequency

## **Clustering illusion**

... seeing patterns that actually don't exist

## **Sharpshooter illusion**

Interpreting pieces of information with no real relationships to actually have a pattern

# **Decision Making**

Biases that occur in groups that are collectively trying to make decisions

## **False consensus effect**

Overestimating the degree to which others agree

## **Group attribution**

Stakeholder falsely assumes that the decision of a group reflects the preferences of the members of the group

## **Irrational escalation**

... attribute to a decision maker to avoid looking foolish for stopping work on an initiative he or she originally approved... even though there is no the outcome will be positive

“Throwing good money after bad”

# **If you remember nothing else...**

- Agree ahead of time who will make certain types of decisions and be aware of the approach taken to make those decisions.
- When you face a decision, your first question should be “When do I have to decide?”
- Be aware of your cognitive biases and those of your stakeholders, and take steps to reduce their effect in your elicitation, analysis, and decision making.